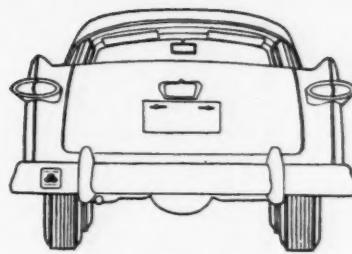


The NATIONAL UNDERWRITER

Again in 1955

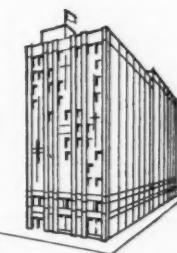


(as it has for 14

straight years)



State Farm Mutual
insured more cars than
any other company
in the world.



in the world.

State Farm Mutual Automobile Insurance Company
Home Office: Bloomington, Illinois

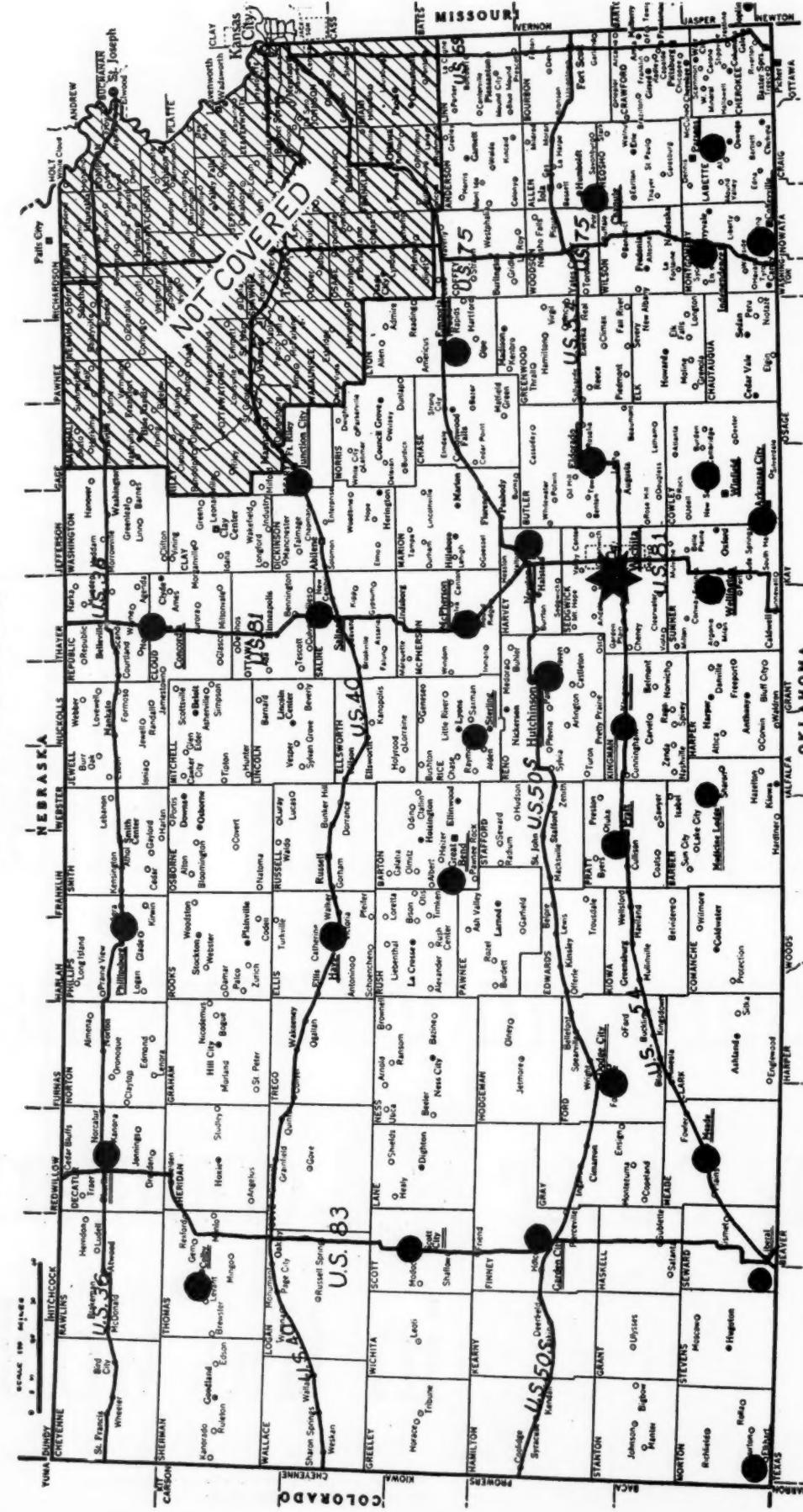
AUTOMOBILE INSURANCE INSERT

THURSDAY, MAY 17, 1956

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CASUALTY - ALL LINES
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BURGLARY



BRANCH CLAIMS OFFICE FOR
COMPANIES A SPECIALTY

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

60th Year, No. 20
May 17, 1956

Arkansas Agents Elect Johnson and Hargraves at Annual

Resolutions Praise Combs Deplore Price Deviation at Expense of Agent

HOT SPRINGS — A. J. Johnson, El Dorado, was elevated to the presidency, and Thompson Hargraves Sr., Helena, was named vice-president of Arkansas Assn. of Insurance Agents at its 55th annual last week. Mr. Johnson succeeds Simon Joseph, Pine Bluff, who automatically will become chairman of the executive



A. J. Johnson

committee.

C. C. Mitchener, Marianna, was re-elected secretary-emeritus although he was not in attendance because of illness. His absence interrupted what would have been a record of having attended 41 consecutive conventions, starting in 1915.

Lawrence Derby, Warren, was re-named state national director, and Robert Maxwell, Texarkana, former NAIA executive committeeman, as alternate director to Mr. Derby.

By resolution the association warmly commended Arkansas' commissioner Harvey G. Combs for his "excellent administration of the insurance laws and the affairs of the insurance department" and strongly endorsed the "soundness and reasonableness" of his order of March 7, 1956, requiring an annual review of all independent filings and further requiring that all fire contracts and endorsements be subjected to independent auditing services. Pointing out that state regulation is on trial under public law 15, the resolution stated that Mr. Combs "has given able and devoted administration to the state insurance laws to the end that state regulation shall be completely effective in the public interest."

The action followed the annual report of President Simon Joseph in which he described the commissioner's ruling on independent filings "as one of the soundest and one of the most important steps taken to preserve effective regulation of the fire insurance business in Arkansas." He warned that attempts might be made by some interests to contest the order and to seek its withdrawal, and he called upon the association to throw its full support behind the insurance department in its regulatory efforts.

In another action, the agents deplored competition based on "price deviations or rate concessions made at the expense of local agency commissions." The resolution submitted to the

(CONTINUED ON PAGE 52)

Auto Rates Revised in East; Under-25 Gets Large Jolt

Automobile rates have been revised in Connecticut, New Hampshire, District of Columbia, Maine and Vermont, effective May 16. The changes affect BI, PDL and PHD and were announced jointly by National Bureau of Casualty Underwriters and National Automobile Underwriters Assn. This is the first joint announcement by the two rating bureaus of changes affecting several jurisdictions and the common effective date is expected to be welcomed by agents, who will have one rework or renewals rather than two.

At the same time Mutual Insurance Rating Bureau announced revisions in the same territories effective the same date.

The National Bureau-NAUA changes generally are down somewhat for PHD and varied for liability. The rates for unmarried drivers under 25 have been increased sharply, reflecting the worsening experience on this class. The rates go up from \$28 to \$68 on this class in Connecticut; \$2 to \$22 in District of Columbia; \$23 to \$57 in Maine, and \$27 in Burlington and Rutland, Vt., and \$25 in the remainder of that state. In New Hampshire the rate for the class remains unchanged.

In Connecticut \$100 deductible collision on private passenger cars is reduced 6% but comprehensive is increased 6%. Collision for commercial intermediate and long distance hauling is down 10%. Where liability rates for young men under 25, married or unmarried, are increased in Connecticut, the increase is \$1 to \$26. Otherwise liability rates are up and down.

In District of Columbia PHD reductions will mean \$485,000 a year less in premiums, with comprehensive for private passenger cars down 10% and collision 8%. Collision for commercial local haul is down 14% and for intermediate and long haul 10%. Liability rates are reduced \$1 to \$6 for business and non-business cars without male operator under 25 and for cars owned by corporations, etc.

Maine gets a number of liability increases of \$3 to \$12. There are some

(CONTINUED ON PAGE 19)

Late News Bulletins . . .

Martins, La. Governor Square Off for Battle

Wade Martin Sr., whose son is Louisiana secretary of state and insurance commissioner, has announced he will not be a candidate for reelection to the Louisiana public service commission. This paves the way for a hectic political struggle between the Martins and Gov. Earl Long, who apparently has in mind separating the offices of secretary of state and insurance commissioner. Wade Martin Jr. led the entire Democratic ticket in the recent state primary.

Urge \$500 Million U. S. Atom Cover

Twenty to 50 deaths and \$200 million of property damage is the worst that could be expected from a runaway or breakdown of an atomic energy reactor, even in a heavily populated area, W. F. Libby of atomic energy commission told the House-Senate atomic energy committee at a hearing in Washington.

The testimony came as AEC Chairman Lewis Strauss asked Congress to es-

(CONTINUED ON PAGE 56)

Midwest Receivership Off to Hectic Start Tornadoes Cause \$10-12 Million Loss in Three-State Area

Adjusting Organizations Open Storm Offices at Flint, Muskegon and Cleveland

Early estimates from adjusters in the area indicate that losses as a result of tornadoes, hail and accompanying winds which struck southern Michigan, northern Ohio and Duquesne, Pa., on May 12-13 will cost insurance companies \$10 to \$12 million dollars.

Flint, Mich., was struck by a tornado on May 12 and also suffered flood damage when the swollen Flint river overflowed into the business district. There were many total mercantile and dwelling losses in the area and adjusters have estimated more than 400 serious losses averaging \$5,000. There are also some 6,000 additional losses averaging about \$100.

Gov. Williams has asked that Flint be designated a disaster area.

A tornado which struck Allen Park, a Detroit suburb, caused at least 10 serious losses averaging \$10,000. Some 2,000 additional losses averaging \$100 are expected in the Allen Park, Lincoln Park and Dearborn areas.

North Muskegon, Mich., was pelted by hailstorms the size of tennis balls and the northern half of Muskegon was hit severely by somewhat smaller hail. The number of losses in the area has been estimated at 8,000 averaging \$200.

More than 100 serious losses averaging \$10,000 have been reported in the Rocky river section of Cleveland following the May 12 tornado. An additional 20,000 losses averaging \$100 are expected in the western areas of Cleveland, including Fairview, Lakewood, Brooklyn and Linndale.

Western Adjustment has opened storm offices at Flint, Muskegon and Cleveland and has supplemented its regular staff of 191 adjusters in 34 offices in the Michigan and Ohio areas.

Underwriters Adjusting has opened a storm office at Flint and has sent extra adjusters to Cleveland, Muskegon Detroit and Dearborn.

Michigan Claim Service of Lansing has set up storm offices at Flint and Muskegon and G. L. Ingebritson is supervising the storm operations.

General Adjustment Bureau said it is still too early to accumulate data on the extent of claims and damage from heavy winds and tornadoes which struck the Duquesne area near Pittsburgh on May 13. National Board has estimated the average loss in the area at \$200 and has included the area in catastrophe number 74, assigned also to the Michigan and Ohio storms.

The town of Windber, southwest of Altoona, was hit the heaviest. GAB said the Berwyn-White Coal Co. there suffered the most serious loss, estimated at \$300,000 to \$400,000. The town is still under National Guard authority.

Buyers Hear Talks on Catastrophe Medical, Foreign, Nuclear Covers at AMA Seminar

NEW YORK—The more than 1,100 corporate insurance buyers set a new attendance record at the annual three-day spring seminar here of American Management Assn.

who discussed risk analysis, George H. Connerat, insurance manager of Republic Aviation, Farmingdale, N. Y., risk abatement, and A. G. Westcott, secretary-treasurer of Union Ice, San Francisco, risk insurance.

If insurance managers let themselves become clerks, renewing policies in a vacuum, isolated from the stream of company affairs, they will be looked on as just that. But if they take to their jobs an attitude of risk management, they will have no concern over position or prestige, that question will solve itself, Mr. Ingleby declared.

He suggested that the insurance manager get thoroughly acquainted with other departments and their problems to find out what the risks really are. And, he recommended talking over common problems with other insurance managers.

Mr. Connerat said loss prevention should be as much a part of an operating manager's job as meeting schedules. The best program is the one where loss prevention activities become part of the every day duties of the production people. Do not rely on insurers for loss prevention, Mr. Connerat advised. Their opinions are helpful, and their experience is invaluable, but risk abatement is insured's own problem. Insurance should not be considered as part of loss prevention but as a reserve of funds to call on if the loss prevention program fails.

For self-insurance or non-insurance, Mr. Westcott said, there must be a substantial number of detached units of property in order that the law of large numbers will operate. The premium for insurance should be so high as not to justify the expense when measured against the risk.

A panel, composed of Percy Chubb II of Chubb & Son, Alexander B. Stewart, an underwriting member of London Lloyds, and W. T. McWhorter, insurance manager of Proctor & Gamble Co., E. A. G. Manton, president of American International Underwriters, and R. Maynard Toelle, secretary of American Foreign Insurance Association, discussed insurance operations in the foreign field.

Companies ought to have a comprehensive plan rather than major medical coverage alone because the former is the only one that provides built-in cost control from the bottom up, John A. Fuller, president of Shawinigan Water & Power of Montreal, said.

Superimposing major medical coverage on a basic hospitalization plan will not give the company control of costs

on the basic portion of the plan, Mr. Fuller cautioned. He believes it would be difficult if not impossible to get employee acceptance of the comprehensive plan at a later date.

Shawinigan's comprehensive medical expense plan, the 1st in Canada, went into effect last August. Shawinigan was dissatisfied with its previous basic hospitalization plan because costs were increasing faster than benefits (by 40% in 1953). Employees were often dissatisfied with the limitations and exclusions of the hospitalization coverage.

The comprehensive plan puts all the health insurance in one package. It provides protection against crippling expenses for all regular employees, not just a special group. By beginning with a deductible rather than having a deductible (such as a corridor) after the basic plan has paid off and by introducing the factor of coinsurance at all levels—which is the real key to cost control—it reduces the first dollar cost and therefore can be more liberal on major medical expense. It gives, he said, the greatest potential claims control of any type of medical plan yet designed.

A panel on corporate risk management agreed that alert analysis of risks, effective loss prevention, and sound insurance coverage will give corporate operations adequate protection at minimum cost. The discussion was led by Frazier S. Wilson, insurance manager of United Air Lines. Panelists were Albert J. Ingleby, insurance manager of Diamond Alkali, Cleveland,

who discussed risk analysis, George H. Connerat, insurance manager of Republic Aviation, Farmingdale, N. Y., risk abatement, and A. G. Westcott, secretary-treasurer of Union Ice, San Francisco, risk insurance.

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Mr. Chubb said that claims paid to western hemisphere trade corporations may present tax problems. To qualify as such a corporation with a tax reduction of 14 points, a company must be a domestic firm deriving 100% of its profits from sources within the western hemisphere but 95% of those profits must be produced outside the U.S. Any profits derived from proceeds of a claim are deemed by internal revenue bureau to be produced in the U. S. if paid in the U. S. Because of this ruling, Mr. Chubb said, there is the possibility that serious losses might result in an indemnity sufficiently higher than the company's monetary loss to exceed the allowable 5% of U.S. produced profit. This would nullify the company's tax advantage for that entire period.

To meet this problem, marine insurers have formulated a variation clause that permits the policyholder to insure in the amount required by the buyer but limits the amount recoverable by the western hemisphere trade corporation to the seller's actual out-of-pocket loss.

In dealing with policies insured abroad, particularly in a foreign language, Mr. Chubb warned buyers not

to rely on literal translations of abbreviated terms by which insuring conditions are customarily designated. He said the buyer should rely on the insurance broker or underwriter in facing special problems arising from unfamiliar foreign country requirements in placing insurance.

Mr. Stewart explained London Lloyds underwriting system and said that it is flexible enough to meet the needs of changing times.

Mr. McWhorter cautioned buyers, in insuring company operations abroad, to consult insurance advisers and persons with experience in the foreign market. He discussed the different types of insurance required for various types of foreign operations.

Fla. Tenn. Agree on FR Reciprocity

Florida insurance department has established its first reciprocal agreement with another state, Tennessee, on automobile financial responsibility.

Commissioner Larson said that Tennessee had agreed to suspend driving permits and registration plates of motorists involved in accidents under the two states' FR acts. Pennsylvania also has agreed to reciprocate when its new responsibility division is established.

Pa. Senate Asks Probe of Blue Cross Rates

Pennsylvania senate has passed and sent to the house a resolution calling for an investigation of Blue Cross and Blue Shield to determine if an equitable relationship exists between subscription payments and benefits.

Louisville Executives Club Elects 3 Insurance Men

Three of the four newly-elected officers of Louisville Executives Club are insurance men.

They are: D. P. Vandivier, field supervisor for Travelers Fire, president; Henry M. Johnson Jr., general agent for Northwestern Mutual Life, 2nd vice-president, and John M. Hennessy, local agent and former president of the Louisville board, secretary-treasurer.

Highlights of the Week's News

1958 Automobile Insurance Review begins on	Page 36
Full agenda of problems discussed at local board forum in Syracuse	Page 21
Hope to get agent riders back in savings bank BBB	Page 23
Va., Conn. courts uphold competitive bids for fire cover	Page 23
Program ready for IAC annual meeting	Page 29
Casualty mutuals set management meeting	Page 30
Report shows bank crimes on decline	Page 30
G. V. Whitford stresses potential of mass market for sales	Page 16
Agency management, competition keynote St. Louis I-Day	Page 17
Wisconsin department adds division chiefs	Page 8
Pacific Board helm to P. Y. Alverson	Page 6
Stock companies form unit to insure radiation liability	Page 6
Gillooly, Saunders mentioned as NAIC election dark horses	Page 10
Insurers ask curb on flood definition	Page 11
Hemisphere I-Day attracts 500 plus	Page 11
Surety Assn. names J. P. Hacker, W. H. Benham	Page 11
Comments on California WC changes	Page 56
New York, Massachusetts compulsory plans compared	Page 55
NAII counsel predicts higher jury awards under compulsory	Page 4
C. F. J. Harrington reviews New York compulsory	Page 4

Fla. Agents Elect Cannon, 767 Attend Best Annual Parley

E. Finley Cannon of Gainesville was elected president of Florida Assn. of Insurance Agents at the annual convention in Jacksonville, to succeed Donald A. Bolton of Jacksonville. Eugene F. Wise of Orlando and Dave Johnson of Pensacola were elected vice-presidents and Tom C. Johnson was renamed executive secretary. Edwin M. Clark of Tallahassee and Kenneth King of Fort Lauderdale are the new directors.

This was the most successful convention the association has held. Attendance reached a new high, 767, with more than 800 at the banquet, and more attended the business sessions and followed the deliberations than ever before. About 135 attended each of the breakfast sessions on agency advertising, at which M. J. Whitmar of Diner- man Advertising agency, Cincinnati, and James J. Walker of Augusta, Ga., spoke. More than 150 attended the local board workshop, which was an innovation this year. Principal topics of discussion were making fiscal years of boards coterminous with the state association, and accident and fire prevention.

Life agents in Florida have been urging separation of the insurance department from the state treasurer's office, and the association adopted a resolution opposing such a division. The convention also adopted a resolution asking the companies to furnish the uninsured motorist endorsement in Florida as an offset to compulsory. There was an indecisive vote on the question of mixed, stock and mutual, agency membership. Agents also urged the insurance department to take the lead in recodifying and modernizing Florida's insurance laws.

Broward Williams, administrative assistant to Commissioner Larson, said the department is planning a meeting of insurance representatives soon to discuss recodification. Commissioner Larson told the meeting that with additional staff and funds, the department now is able to enforce the insurance laws and is doing so.

The forum on how to be a better casualty agent, moderated by Mr. Cannon, was quite successful and drew a big hand from the audience. Participants were Sidney A. Singleton of Orlando, Neil D. Coates of Miami, B. D. Cole of West Palm Beach, J. Al Pound and Mitchell Stallings of Tampa, and Dave Johnson.

Directors of the association voted to

cooperate with Southern Agents Conference in holding the 1958 session in Florida in connection with the midyear of National Board of State Directors of NAIA. However, the directors also voted to hold the Florida association meeting at a separate time. This meeting gets lost when held in conjunction with the other two.

The 1957 convention will be held at

Hotel Fontainebleau, Miami Beach, May

23-25. Only four or five hotels in the

state are big enough to handle the

convention nowadays.

Finances of the association are in

fine shape, it was reported, and the

dues income now is \$55,000 a year,

sixth among all state associations.

Member agencies now number a new

high of 798.

Two past president trophies were

(CONTINUED ON PAGE 54)



Percy Chubb

groups.

A. L. Papenfuss, vice-president of Employers Mutual Liability, said liability is the big problem in nuclear insurance. There seems to be a strong possibility that the courts will impose the doctrine of absolute liability whereby anyone injured can recover without any showing of negligence because the activity is inherently ultra-hazardous. Costs of insurance, he pointed out, will largely be affected by the approach that the courts adopt.

Rates will probably have to be determined separately for each nuclear reactor installation, Mr. Papenfuss predicted, because of the experimental nature of the present program and the variation as to hazards among installations.

Companies ought to have a comprehensive plan rather than major medical coverage alone because the former is the only one that provides built-in cost control from the bottom up, John A. Fuller, president of Shawinigan Water & Power of Montreal, said.

Superimposing major medical coverage on a basic hospitalization plan will not give the company control of costs on the basic portion of the plan, Mr. Fuller cautioned. He believes it would be difficult if not impossible to get employee acceptance of the comprehensive plan at a later date.

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May 17, 1956

LOYALTY GROUP

FIREMEN'S INSURANCE COMPANY
OF NEWARK, NEW JERSEY

DECEMBER 31, 1955

ASSETS	LIABILITIES
Cash \$ 5,406,999.79	Reserve for Losses \$ 18,710,827.16
Mortgage Loans on Real Estate 946,030.04	Reserve for Loss Expenses 1,621,400.00
*Bonds and Stocks 162,401,031.61	Reserve for Unearned Premiums 52,622,853.30
Interest due and accrued 236,182.94	Reserve for Taxes and Expenses 3,290,258.00
Agents and Departmental Balances 3,803,131.44	Funds held under Reinsurance Treaties 5,845,871.38
Real Estate 3,086,000.00	All other Liabilities 1,261,182.18
Equity in Marine and Foreign Insurance Pools 9,721,363.59	Capital 15,000,000.00
All other Assets 1,365,827.61	Net Surplus 88,614,175.00
Total admitted Assets \$186,966,567.02	Total \$186,966,567.02

SURPLUS TO POLICYHOLDERS \$103,614,175.00

Securities carried at \$3,808,805.91 in the above statement are deposited as required by law.

GIRARD INSURANCE COMPANY
OF PHILADELPHIA, PA.

DECEMBER 31, 1955

ASSETS	LIABILITIES
Cash \$ 534,201.96	Reserve for Losses \$ 1,954,862.54
Mortgage Loans on Real Estate 1,283.32	Reserve for Loss Expenses 169,400.00
*Bonds and Stocks 14,240,435.20	Reserve for Unearned Premiums 5,844,044.20
Interest due and accrued 46,379.76	Reserve for Taxes and Expenses 382,318.00
Agents and Departmental Balances 178,165.49	All other Liabilities 17,574.18
Real Estate 150,000.00	Capital 1,000,000.00
All other Assets 262,765.55	Net Surplus 6,025,032.36
Total admitted assets \$15,413,231.28	Total \$15,413,231.28

SURPLUS TO POLICYHOLDERS \$7,025,032.36

Securities carried at \$795,543.41 in the above statement are deposited as required by law.

MILWAUKEE INSURANCE COMPANY
OF MILWAUKEE, WIS.

DECEMBER 31, 1955

ASSETS	LIABILITIES
Cash \$ 1,089,155.22	Reserve for Losses \$ 5,306,055.46
Mortgage Loans on Real Estate 332,501.95	Reserve for Loss Expenses 459,800.00
*Bonds and Stocks 38,550,037.75	Reserve for Unearned Premiums 14,922,898.69
Interest due and accrued 99,954.84	Reserve for Taxes and Expenses 1,252,806.00
Agents and Departmental Balances 2,885,992.37	All other Liabilities 59,161.50
All other Assets 410,264.17	Capital 3,000,000.00
Total admitted Assets \$43,367,906.30	Net Surplus 18,367,184.65
	Total \$43,367,906.30

SURPLUS TO POLICYHOLDERS \$21,367,184.65

Securities carried at \$2,955,430.82 in the above statement are deposited as required by law.

THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK

DECEMBER 31, 1955

ASSETS	LIABILITIES
Cash \$ 2,050,054.59	Reserve for Losses \$ 19,529,061.00
Mortgage Loans on Real Estate 13,788.26	Reserve for Unearned Premiums 13,846,779.68
*Bonds and Stocks 48,966,786.82	Reserve for Loss Expenses 2,247,095.00
Interest due and accrued 167,466.15	Reserve for Taxes and Expenses 1,647,113.89
Agents and Departmental Balances 3,509,949.53	Funds held under Reinsurance Treaties 197,366.55
Equity in Marine and Foreign Insurance Pools 150,789.49	All other Liabilities 167,463.00
All other Assets 231,563.29	Capital 3,000,000.00
Total admitted Assets \$55,090,398.13	Net Surplus 14,455,519.01
	Total \$55,090,398.13

SURPLUS TO POLICYHOLDERS \$17,455,519.01

Securities carried at \$4,426,379.84 in the above statement are deposited as required by law.

*Valuations on basis prescribed by National Association of Insurance Commissioners

Western Department
120 So. LaSalle St., Chicago 3, IllinoisSouthwestern Department
912 Commerce St., Dallas 22, TexasHOME OFFICE
10 PARK PLACE, NEWARK 1, NEW JERSEYForeign Department
102 Maiden Lane, New York 5, New York
206 Sansome St., San Francisco 4, Calif.Pacific Department
220 Bush St., San Francisco 6, Calif.
Canadian Departments
800 Bay St., Toronto 2, Ontario
535 Homer St., Vancouver 3, B. C.

SURPLUS TO POLICYHOLDERS \$19,332,993.06

Securities carried at \$1,691,171.13 in the above statement are deposited as required by law.

NAII Counsel Predicts Higher Jury Awards Under Compulsory

Jury verdicts may increase in New York under the new compulsory auto insurance law, and claimants' chances of bargaining for settlements are improved, Arthur C. Mertz, counsel for National Assn. of Independent Insurers, declared in a talk before the claim conference of Conference of Mutual Casualty Companies at Chicago. Claimants and juries will now assume that every resident defendant has insurance, he said. The net effect will be like that of the direct action statutes of Louisiana and Wisconsin.

Mr. Mertz cited this possibility as part of an expanding drift towards absolute liability, guarantees of recovery for injuries, expanded definition of injuries, and mounting dollar amounts of recovery.

The insurance industry is really the best friend of the "adequate award," he asserted.

he said, for it is working to preserve the system that makes it possible. But over-adequate awards and unjustified claims tend to build a bonfire under the system of liability-through-fault of private enterprise. Claimants' attorneys, he observed, would be well advised to avoid excesses lest they speed the advent of a state compensation fund.

Mr. Mertz reiterated the opposition of NAII to the adoption of any form of comparative negligence rule. The contributory negligence rule is an important element in the disciplinary policy of most state laws, but even under this rule court dockets are so crowded with negligence cases that clamor is increasing for either hiring more judges or giving up the jury system. The problem would be magnified if negligent claimants who are presently barred were given their day in court. The contributory negligence rule, in actual practice, is not harsh. The injustices that are blamed on it are entirely in the realm of theory. The doctrine is a necessary deterrent to the prosecution of unmeritorious claims,

The base of liability, Mr. Mertz said, is being broadened by the disappearance of the "impact" rule which required physical contact in order to recover for shock and mental anguish. Now proof of impact is not required in most courts. Another evidence of liability is the extension of the doctrine that those carrying on so-called "ultrahazardous activities" do so at their peril. Others include: Decisions holding auto manufacturers liable to passengers for not designing the vehicles safely enough, and incorporation of the absolute liability principle in the uniform aeronautics act.

Amounts of recovery are also in an upward spiral. Awards include greater credits for intangible elements of damage such as pain and suffering and emotional distress. Thus a federal court jury gave \$40,000 for 10 hours of pain in addition to a substantial wrongful death award.

Pressure for compulsory insurance laws, direct action statutes and kindred measures constitute another headache. These he classified as measures to assure realization of damages.

Other kindred measures include bills to prevent judges from reducing excessive jury verdicts, bills to increase or remove wrongful death limits, to award attorneys' fees to successful claimants, to penalize insurers who won't settle claims promptly and to prevent direct negotiations with an injured person within a fixed period after the accident.

Harrington Tells Zone 2

Headaches, Troubles Ahead Under N.Y. Compulsory Auto

The new compulsory automobile insurance law in New York will provide a multitude of problems and troubles both for its political sponsors and the insurers attempting to make it work, Zone 2 commissioners were told by C. F. J. Harrington, executive vice-president of National Assn. of Casualty & Surety Agents. Mr. Harrington, who is a former Massachusetts insurance commissioner, told the zone gathering at Cleveland that the enactment of a compulsory automobile insurance law is "only the beginning of legislative and administrative turmoil and strife. Such a law will satisfy no one. There is no political profit in such a law. It is a plague upon the houses of all political parties who espouse it."

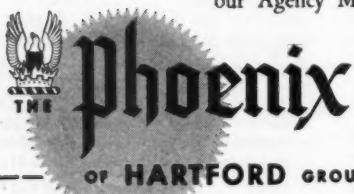
No compulsory motor vehicle liability insurance law can be devised, Mr. Harrington contended, that will provide the assurance of appropriate financial relief to the victims of all automobile accidents, whether those accidents are caused by financially responsible or financially irresponsible motorists. He said he does not think the New York law gives any measure of safety for the citizens. It imposes upon many, particularly in Manhattan and Brooklyn, who are financially responsible or who may be good drivers and not contributing to the accident problem, the burden of paying a substantial insurance premium. Under the New York limits of 10/20/5, the cost on a pleasure car for a driver under 25 in Manhattan or Brooklyn at present rates is \$257 annually for BI and PDL alone. For those over 25 private passenger non-business BI and PDL premiums are \$117, but if it is for use in business it is \$171.

Increased claim frequency is inevitable in a state having a compulsory auto insurance law, Mr. Harrington continued. In New York there is already a high average claim cost.

Mr. Harrington suggested that rate making under the compulsory law should be put in the hands of the New York superintendent. "I cannot present



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Agency
Street
City Zone State

CONSOLIDATED FINANCIAL STATEMENT as of December 31, 1955

ASSETS

Bonds	\$ 9,526,730
Stocks	1,554,503
Cash in Banks & Offices	1,442,425
Agents Balance (not over 90 days)	1,123,142
F.H.A. Mortgages	15,426
Home Office	550,599
Accrued Interest & Misc. Funds	875,855
Total Admitted Assets	\$15,088,680

RESERVES AND SURPLUS

Claims Reserve	\$ 5,108,813
Unearned Premiums	5,264,387
Commissions	62,059
Tax Reserves	411,641
Miscellaneous Reserves	634,779
Voluntary Reserve	\$1,007,001
Capital	1,100,000
Surplus	1,500,000
Surplus to Policyholders	3,607,001
Total Liabilities	\$15,088,680

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This advertisement appears in color in:

American Home—June • Better Homes and Gardens—June • Nation's Business—June
Town Journal—June • Business Week—May 5 • Newsweek—May 14 • Time—May 14
U.S. News & World Report—May 25

Pacific Board Helm to Alverson; Miller to Vice-Presidency

Peyton Y. Alverson, Northern Assurance, and William B. Miller, American, were elected president and vice-



P. Y. Alverson



W. B. Miller

president, respectively, of Pacific Board at the annual meeting. Each man heads the western states operations of his group.

Elected to the governing committee for a two-year term were David A. Barry, Pearl; Carl N. Homer, Deans & Homer; Clyde M. Marshall, Aetna Fire, and Samuel T. Shotwell, North British. One-year alternates on the committee will be Percy P. Lynch, Industrial Indemnity; Richard B. Masters, New Zealand, and George E. Stroub, Home.

Moore, Case, Lyman & Hubbard Promotes Two

Frank Supple has been named head of the engineering department of the Moore, Case, Lyman & Hubbard general agency of Chicago. He joined the agency in 1952 and has been in insurance engineering since 1950.

Donald Ford, formerly head of the engineering department, has been promoted to account executive. He joined the agency in 1945 and was formerly with Western Actuarial Bureau and Chicago Board of Underwriters.

Hear Madden at Wisconsin Rapids

Thomas G. Madden, special agent for Fireman's Fund group, reviewed the development and coverage of the 3-D policy at the May meeting of Wisconsin Rapids (Wis.) Assn. of Insurance Agents.

110 Stock Companies Form Unit to Insure Radiation Liability

More than 110 of the country's capital stock insurance companies have been organized in New York to underwrite radiation liability hazards on industry-operated nuclear reactors and related operations. The new organization, Nuclear Energy Liability Insurance Assn., expects that its members will be able to insure each reactor for \$50 million.

The insurance will cover the construction, installation, operation and maintenance of nuclear reactors used for industrial, commercial research and experimental purposes. The coverage will be third party liability, insuring against bodily injury and property damage to persons other than the reactor owner or operator. All forms of liability risks, other than radiation, will continue to be handled by individual companies and will not be insured through the association.

The new group will issue policies in the names of members and will control the investigation, settlement and payment of losses. It will also receive all premium payments, establish and maintain reserves and remit to members all net income after deducting losses and expenses.

Elected to the governing committee were Aetna Casualty, Fidelity & Casualty, Hartford Accident, Indemnity of North America, Maryland Casualty, Royal-Liverpool group, St. Paul F&M, Travelers and U.S.F.&G. J. Dewey Dorsett, general manager of Assn. of Casualty & Surety Companies, has been named general manager of the new group. Offices will be at 60 John street, New York City.

Start New Argonaut Home Office

Ground has been broken for the new \$625,000 home office building of Argonaut of San Francisco, in Menlo Park, about 40 miles south of the city. Some portions of the Monterey colonial style building will be two stories. There will be 20,000 square feet of working space, plus parking facilities.

Americana and Allstate also maintain their Pacific coast headquarters in Menlo Park.

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We suggest that a knowledge of Pydraul and a familiarity with its uses could be a risk-reducing service to certain of your clients—and a valuable tool for you.

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All the lubricity of premium petroleum oil, without the fire hazard. Non-corrosive, chemically stable, safe to use. Economical, can be reclaimed for use over and over again.



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Wis. Department Reorganizing, Adds Division Chiefs

Commissioner Rogan's reorganization of the Wisconsin department made substantial progress when the bureau of personnel announced competitive examinations to fill five new division chief positions.

Mr. Rogan asked nationwide recruiting for the chiefs of the new examining and rate divisions. The examinations

are open to qualified persons anywhere in the United States. The starting salaries are \$7,632 a year.

Examinations for chiefs of the funds, fire marshal and services division are open to all qualified persons in the competitive state service. The starting salaries are \$5,952 a year.

Each of the division chiefs will be responsible for major programs in a department which, among other things, regulates an industry that collected almost \$500 million in premiums in 1955.

The chief of the examining division

must regulate the financial conditions and business practices of 770 companies licensed in Wisconsin, and, annually collect from them \$7 million in taxes and fees.

The chief of the rate division will head a group of technicians who will approve all insurance policy forms and rates, as well as assist policyholders in obtaining fair treatment.

The chief of the funds division will operate two multi-million dollar state owned insurance funds. One, the state insurance fund, insures all state-owned and much local government-owned property and, the state life fund sells life insurance to Wisconsin residents.

The chief of the fire marshal division will head the clerk and six deputy state fire marshals, who summarize and distribute statistics on all insured fires in the state, and investigate cases of suspected arson.

The chief of the services division will be the department's office manager. In addition, his employees must give an estimated 4,000 written examinations each year to new insurance agents and annually license agents for each company that they represent.

Anyone who wishes to apply for these positions may write or visit the Wisconsin Department of Insurance, State Capitol building, Madison. Applications for the examining and rate division chief positions must be filed by June 4.

dent of sales, Clarence H. Madison west central sales manager at Kansas City, Edmund J. Purser sales representative in Birmingham, Ala., William E. Bailey sales representative in Atlanta and Robert R. Streeter sales representative in Seattle.

Mr. Forkel started at Chicago in 1934 as an inspector and became vice-president of sales in 1950. Mr. Nickles began in New York as an inspector in 1933 and became west central division sales manager in 1953 at Kansas City. Mr. Madison joined the bureau in 1929 as an inspector at Minneapolis. Mr. Purser was formerly sales representative in Atlanta and Mr. Bailey and Mr. Streeter were inspectors.

Golf Trophy in Honor of N. J. Local Agent

Mercer County (N.J.) Assn. of Insurance Agents will award for the first time the Karl Weidel Jr. memorial trophy to the association's golf champion in the tournament scheduled June 14 at Jamesburg, N.J. The trophy has been presented to the association by Karl Weidel III, Trenton local agent, in memory of his father.

La. Local Agent Holds Boating Safety Clinics

C. J. Cutrone, local agent of Morgan City, La., has arranged a series of maritime safety clinics for boating enthusiasts of his town.

The first of the all-day clinics were held last week. Capt. P. Larche, U. S. coast guard, retired, was the instructor.

David F. Cass has joined Marsh and McLennan at Indianapolis as senior account executive. He has been vice-president and assistant general manager for the H. H. Woodsmall agency since 1951. In his new post he will be in charge of surety bond production.

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Gillooly, Saunders Mentioned as NAIC Election Dark Horses

The FTC decision to do its own interpreting of public law 15 has cast a shadow over the political complexion of National Assn. of Insurance Commissioners. The logical choice for chairman of the executive committee to be elected at St. Louis has been Director Thomas Pansing of Nebraska, who lost out last year to Joseph Navarre of Michigan in a close election and since then has dis-

tinguished himself as the representative of the commissioners in dealing with the federal trade commission on the matter of A&S advertising.

Until the FTC voted 3 to 2 that it has jurisdiction over A&S advertising in all states, Mr. Pansing was generally considered a shoo-in. But now there are some commissioners who can hardly bear to think of anything that could remind them of the FTC, and there have been reports that Gillooly of West Virginia has gained some support from the Zone 2 commissioners and that Saunders of Texas is a dark horse from

Zone 5. It has been mentioned that it is Zone 5's turn to have a man in line, and if it isn't going to be Mr. Pansing perhaps it could be Mr. Saunders.

Try New Orleans Exchange Case

At the conclusion of a three day trial of the government's anti-trust action against New Orleans Insurance Exchange the U.S. district court at New Orleans gave the government till July 25 to file a reply brief and the Exchange till Aug. 25 to file its answer to the brief.

The government charges that the Exchange's non-intercourse rule prohibiting commission payment to non-members constitutes restraint of trade.

Ohio Association Holds 2nd District Meeting

Agency time savers and industry problems were discussed by agents and executives of Ohio Assn. of Insurance Agents at the second district meeting at St. Clairsville last week.

Ray W. Kapp, state agent of Phoenix-Connecticut group, explained "short cuts" in office systems and procedures.

A panel discussion on industry problems was presented by Theodore M. Gray Sr., executive secretary; Charles T. Collins, educational director, and Robert L. Cook, district trustee.

Hugh K. Dawson, association president, addressed the dinner session on "The Future of Your Agency."

Jefferson County Agents Meet

Ray W. Kapp, state agent of Phoenix-Connecticut group, discussed the mercantile block policy at the monthly meeting of Jefferson County Assn. of Insurance Agents at Steubenville, O.

Mass. Ban of Dealer Forms is Upheld

Massachusetts supreme court has ruled that North America's all risk dealers policies may not be written as inland marine in that state. The decision upholds a ruling by Commissioner Humphreys and Deputy Commissioner Louden made a year ago. This was appealed by North America in two cases. One case sought to overturn the commissioner's order and the other asked the court to issue a declaratory decree holding the policies to be inland marine.

The court stated that many more risks were involved in the coverages than transportation or deliveries and that it did not "perceive any limit to the coverage of a dealer's entire stock in trade for as long as the policy or its renewals may continue. We cannot discover that there necessarily will be the continuous movement of goods," the court went on. It also rejected North America's contention that the insurance department was discriminating against the insurer in barring its all risk dealers policies and permitting such coverage for dealers in furs, musical instruments or jewel.

Yazoo Delta Agents Elect

W. G. Mize of Greenwood has been elected president of Yazoo Delta (Miss.) Insurance Agents Assn. Other officers are B. B. Bowen Jr. of Shelby, vice-president; Bob Bobo Jr. of Clarkdale, secretary-treasurer; and Lee T. Cossar of Leland, Warner Wells Jr. of Greenwood, Walter M. Merritt of Cleveland and Barry Wood Jr. of Indianola, directors.

Paul B. Bromley Co., Louisville general agency, has moved to 800 Starks building.



From the diary of an Agency Secretary



Am I excited! It isn't often an agency Girl Friday gets to be a Girl Wednesday, and that's just what I'm going to be for one whole day—on Wednesday June 13. That's the date set aside for people attending the NAMIA convention at Atlantic City to visit the wonderful new PLM Building in Philadelphia. Mr. L is an angel. He's giving me the time off to act as PLM's hostess on the great day. Uhuh! I'll be there in person, as they say about movie starlets; and I'm sure a lot of agents and their wives will be there for me to welcome. Isn't it too thrilling! Now, let's see, whatever shall I wear, I wonder . . .

MR. LOCAL AGENT

The Convention of the National Association of Mutual Insurance Agents will be held in Atlantic City, June 10 to 14. Are you planning to attend? If so, you and your family are cordially invited to be our guests at lunch on Wednesday June 13, and, in conjunction, to visit the new PLM Building in Philadelphia. Time has been set aside for the trip by the NAMIA Executive Secretary, and free transportation to and from Philadelphia will be provided. Try to make it, won't you? We look forward to seeing you!

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Insurers Ask Curb on Flood Definition

Commenting on the passage by the Senate of the federal flood insurance act of 1956, a spokesman for American Insurance Assn. stated that the complete facilities of the capital stock insurance business would be available to the government in the event it is determined to provide specific flood indemnity by subsidy, or otherwise, if the government requests the assistance of the business in carrying out the scheme. This repeats the offer made by insurance during the Congressional hearings on the subject.

However, it was added that the business hopes that if legislation providing indemnity for losses to flood victims finally becomes law that the word insurance will not be used in connection therewith. The industry does not believe that the writing of specific flood insurance covering fixed-location properties in areas subject to recurring floods is a feasible undertaking for either private industry or the government, and any plan which the government develops and puts in effect is a subsidy and is not insurance.

In the event this legislation becomes law, the spokesman stated, the government, consistent with its announced policies, should make certain that the law permits only the writing of flood indemnity. As the bill is written, the federal flood insurance commissioner has practically unlimited authority to expand the perils which the government can cover. The spokesman declared that Congress should not allow by regulation, or otherwise, the unwarranted invasion of the private insurance business by permitting the definition of flood to be expanded to cover those perils for which a private insurance market now is available.

N. J. To Lower WC Manual Rates 5.2%

Compensation Rating & Inspection Bureau of New Jersey has adopted and the insurance department has approved new workmen's compensation rates effective July 1, which represents a 5.2% reduction in the manual rate.

The 1955 calendar year loss ratio was 52%, with earned premiums of \$76,313,791 and incurred losses of \$39,685,016. This was a 12.3% increase in premiums compared with 1953.

For manufacturing, the decrease is 5.3%, for construction and erection 6%, and for all others 4.4%. The decrease comes 4.3% from the 1955 experience plus an .8% decrease for elimination of the tax for the second injury fund. The law provides that when the fund reaches \$1,500,000, no further contributions are required, and as of last Dec. 31 the fund had \$1,659,616.

Vermont Mutual Elects Haley Executive V-P

Vermont Mutual Fire has elected Benton F. Haley executive vice-president and Clifton G. Parker, Morrisville, Vt., lawyer, a director to succeed Thomas C. Cheney, Morrisville local agent, who is retiring after 50 years on the board.

Mr. Haley started with the company as a field man in Maine. He was assistant to the president the past two years.

Tax Talk at Cincinnati

J. A. Ward, farm manager of Ohio Farmers, discussed taxation of insurance proceeds at a meeting of Cincinnati Underwriters Assn. Mr. Ward appeared in the second of a new series of educational luncheon sessions being

conducted by the Cincinnati board under the direction of its program chairman, A. M. Peck, Jr.

L. C. Graham, executive vice-president of the Thomas E. Wood agency and a member of the Cincinnati association board, introduced the speaker.

Hemisphere I-Day Attracts 500 Plus

More than 500 insurance men met in New York city for the U. S. participation in Hemispheric I-day while, at the same time, similar meetings were being held in 14 countries in the western hemisphere. The group heard Henry B. Sargent, president of American & Foreign Power Co., discuss economic growth in Latin and South America and Julius S. Wikler, New York deputy superintendent, talk on multiplines as a new horizon in insurance.

Bradford Smith Jr., vice-president of North America, presided at the luncheon in place of Chairman John A. Diemand, president of North America, who was in Europe. Cables were read from Mr. Diemand and several of the countries in which simultaneous observances of the I-day were being held.

Among those on the dias were Owen E. Barker, president of Appleton & Cox and of American Institute of Marine Underwriters, Enrique Godoy, president of Godoy-Sayan Insurance group, Havana, James O. Nichols, president of American Foreign Insurance Association; Kenneth Ross of Arkansas City, Kan., president of National Assn. of Insurance Agents; Frank A. Christensen, chairman of America Fore and of AFIA, and A. L. Kirkpatrick, manager of the insurance department of U. S. Chamber of Commerce.

It was announced that more than 30 U. S. insurance men are expected to attend the Hemispheric conference this year in Buenos Aires in November.

Mr. Wikler discussed some of the problems which have arisen since the advent of multiple peril policies. Capital requirements for package policy underwriting ought to be reviewed, he said. Also, he suggested, something should be done about making provisions for examining multiple peril writing companies, rather than extending present examining procedures applicable to fire and casualty insurers. He also suggested new laws for qualifying multiple peril agents and a statistical plan for multiple peril policies be developed. A great deal has been done through the work of National Assn. of Insurance Commissioners and the rating organizations, he said, but still much more needs to be done.

Three More Babaco Agencies

Babaco Alarm Systems has opened three new agencies for the installation and servicing of truck burglar alarm systems. They are Steel City Oldsmobile, 2415 Seventh avenue, south, Birmingham, Ala., Nebraska Avenue Tune-Up Center, 3501 Nebraska avenue, Tampa, Fla., and Ollie M. Moore Co., 1409 Broadway, Nashville. The supervisors will be R. L. Stauffer, M. S. Bailey and Ollie M. Moore, respectively.

American States Opens "Drive-In"

American States has moved its Cleveland office into the area's first drive-in insurance service office at 2828 Euclid. Donald Conover, sales manager, and Lloyd Miller, claim manager, are in charge.

Surety Assn. Names Hacker, Bennem to Executive Posts

Surety Assn. of America elected J. P. Hacker, senior vice-president of Standard Accident, chairman of the executive committee at the annual meeting in New York City. William H. Bennem, vice-president of American Surety, was named vice-chairman.

Named to the executive committee were American Surety, Columbia Casualty, Commercial of Newark, Fidelity & Casualty, Fidelity & Deposit, Fireman's Fund Indemnity, Glens Falls Indemnity, Great American Indemnity, Hartford Accident, Maryland Casualty, Massachusetts Bonding, New Amsterdam Casualty, Standard Accident, Travelers Indemnity and U.S.F.&G.

Warren N. Gaffney, reelected general chairman of the association, in his annual report said that the subcommittee on mercantile fidelity has filed a report which sets up a series of uncomplicated tests whereby it will be possible to suggest a suitable range of minimum fidelity coverage for any given mercantile risk. The report will be published in a few weeks, he said.

At the meeting of the executive committee which followed the annual meeting, members of the association's advisory committees were appointed. Officers and members of the headquarters staff named were, in addition to Mr. Gaffney, John L. Kirkwood, deputy general manager and secretary, E. Vernon Roth, secretary, Elmer C. Anderson, John F. Fitzgerald, Philip T. Morehouse, Peter A. Zimmermann and William J. Zimmerman, assistant secre-

tares; David Porter, educational director, and N. M. Franklin, actuary.

Commenting on the contract bond rate revision of last summer, Mr. Gaffney said that while the competitive situation admittedly was a relevant factor, there were other important considerations. First, there was a widespread expectation that construction activity would soon grow to unprecedented levels. Second, the preliminary indications of the cost study showed that the expense ratio for contract bonds was less than for surety generally. Third, supervisory officials had expressed definite interest in contract bond rates and the prospect of being forced to do hastily and in an uncraftsmenlike manner what could and should be done voluntarily and with measured skill was real and imminent. And, finally, as the reduction appeared to be inevitable and near, the association was satisfied that it should be made so as to become a part of the Virginia rate case and give it and the sitting commissioners the opportunity to consider the substantial and favorable revision in statistics that would result therefrom.

It is interesting to note, Mr. Gaffney said, that despite the July 20, 1955, reduction in contract bond premiums, which constitute more than two-thirds of all surety premiums, the volume of surety premiums written by member companies in 1955 was almost \$8 million more than in 1954. This was more than three times the 1954 increase over 1953, he said.

Iowa National Mutual of Cedar Rapids has opened a branch office at Denver, and plans to open another office at Portland, Ore. The office at Denver will handle Colorado, western Nebraska and Wyoming.

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500 Attend Buffet During AMA Seminar

About 500 persons attended the annual Marsh & McLennan cocktail party and buffet during the spring insurance seminar of American Management Assn. in New York.

The party, while not a part of the convention, has become one of the highlights of its allied activities. This year the New York brokerage firm decorated the buffet table with carved ice baskets of fruit, with the fruit imbedded in the ice and trailing out over the table.

O. 1752 Club Elects Caton

Ohio 1752 Club at its May meeting elected David W. Caton, Guarantee Mutual, president; A. R. Cain, Beacon

Mutual Indemnity, vice-president, and C. P. Oesterle, Druggists Mutual, secretary-treasurer.

Tribute was paid to retiring president, Thomas Purdy, National Mutual, and Secretary J. L. Crepps, who is joining Phoenix of London.

Aetna Casualty Driving Film Wins Safety Award

Aetna Casualty has won an award for producing a highway safety film, "Don't Skid Yourself," given by National Committee on Films for Safety. In the annual competition sponsored by the committee, the movie was presented an award of merit in the traffic and transportation category.

Insurance Women of Toledo have elected the following officers: Mrs. Lorine O'Boyle, president; Mrs. Frances W. Schneider, 1st vice-president; Mrs. Betty Raitz, 2nd vice-president; Gayle Parks and Mrs. Carolyn Allison, secretaries, and Mrs. Betty Brown, treasurer.

Kemper Group Hosts 225 at AMA Breakfast

Kemper group was host to more than 225 persons at a breakfast during the annual spring insurance seminar of American Management Assn. in New York.

Present from the home office were Norris C. Flanagan, executive vice-president of Lumbermens Mutual Casualty and American Motorists; W. R. White Jr., vice-president in charge of boiler production; George Bonstelle, vice-president of boiler underwriting; R. M. Dewey, fire special risks chief, and Peter Van Cleve, executive assistant. Maj. Gen. Leigh Wade of Washington, D.C., executive assistant, also attended.

Security-Conn. Names

Carlton Manager in N.C.

Security-Connecticut group has named A. R. Carlton manager of operations in North Carolina and South Carolina at Greensboro, N.C.

He joined Cotton Insurance Assn. as an inspector in 1946 and went to Security-Connecticut in 1950 as a special agent in North Carolina. A year later he was named state agent. He will be assisted by W. Frank Ellis, special agent.

185 Agents Attend Meetings in Three Wisconsin Cities

Wisconsin 1752 Club together with the University of Wisconsin held regional meetings last month for agents in Milwaukee, Fond du Lac and Eau Claire.

More than 185 agents attended the meetings at which Commissioner Rogan explained rate filings and proposed rate changes, F. F. Malcomson spoke on sales techniques, and members of the 1752 Club put on a skit about fire coverages.

New Cal. Manager for Michigan Millers Mutual

Ward W. Webb, who has been California manager of Michigan Millers Mutual since the department was organized 23 years ago, has retired and is succeeded by Charles C. Webb. C. C. Webb has been with Michigan Millers for 10 years, most recently as assistant California manager.

Texas Local Boards Elect

New officers of Texas local boards are:

Amarillo Insurance Exchange—R. F. O'Keefe, president; Rufus Gaut, 1st vice-president; Ed Fancher, 2nd vice-

president; and J. E. Spann, secretary (reelected).

Taylor Insurance Exchange—Delmar H. Nichols, president; Neil G. McAlpine, vice-president, and Miss Mary Moody, secretary.

Lubbock Assn. of Insurance Agents—Charles Head, president; John V. Shropshire, vice-president, and A. C. Sanders Jr., secretary (reelected).

Nacogdoches Assn. of Insurance Agents—L. B. Davidson, president; C. N. Thompson, vice-president, and Herman Darby, secretary.

N.Y. Brokers Assn.

Names Seven Directors

Insurance Brokers Assn. of New York state has elected as new directors John K. Cowperthwaite, president of Fox & Pier; John T. Harrison, partner of Flynn, Harrison & Conroy; Melvin A. Holmes, assistant vice-president of Frank B. Hall & Co.; Eric W. Peniston, president of R. C. Rathbone & Son; J. David Rasmussen, president of Holly & Co.; G. Foster Sanfrod, president of Smythe, Sanford & Gerard, and Edmund M. Tallman, vice chairman of Hagedorn & Co., all of New York City.

Buckeye Agents Complete Four Day Training Course

A four day course of fire and casualty instruction sponsored by Buckeye Union for agents and solicitors was completed recently.

The agent's school originated as a refresher course for returning service men at the close of World War II. Instruction for the most part is handled by John A. Dodd, executive vice-president, and S. W. Schellenger, agency superintendent.

Royal-Liverpool Names Marine Special in N.Y.

Royal-Liverpool group has appointed Ward H. Chadwick marine special representative in the New York metropolitan and suburban areas.

He joined the group in 1946 in the marine underwriting department. After training in marine lines, reinsurance, loss adjusting, rating and underwriting, he became underwriting assistant in 1954. He is a director of American Marine Insurance Forum.

Lange on Insurer's Board

John R. Lange, former Wisconsin insurance commissioner, has been elected a director of Wisconsin Casualty Association, Milwaukee disability insurer.

Insurance Women of Memphis have elected the following officers: Miss Lucy Garner, president; Mrs. Verda Ferguson, 1st vice-president; Mrs. Frankie Spencer, 2nd vice-president; Miss Shirley Grehan and Mrs. Rhetta Priddy, secretaries, and Mrs. Pat Mars, treasurer.

Landlord's Lament!

Owners, landlords and tenants are in a precarious position where they do not carry adequate public liability insurance. So many mishaps can occur around any building and there are so many possibilities for negligence.

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PREFERRED RISKS
SPECIAL RATES

Rev. Morris Tries "Sit-Down" in Iowa Department Offices

DES MOINES—Rev. Sam Morris, temperance leader and ousted president of Preferred Risk Mutual, is conducting a "sit-down strike" in the insurance department offices. He has said he will stay in the department offices until Commissioner Bennett meets "my demands."

"I tried to throw the drinkers out of the company and instead they threw me out," Rev. Morris said. He was referring to one of his major complaints that the company officers had hired several key employees who drink. Rev. Morris started his sit-down strike May 9 and each day arrives at the office upon opening and stays there until the department is closed. His son, Sam Morris Jr., brings him his lunch.

Rev. Morris, who has filed in federal court a \$1 million damage suit against the other officers and in turn was removed by them as president, filed with the department his answers and recommendations in connection with an examination of the company. He recommended that the commissioner appoint personally a complete new board of nine directors to replace the present board; that the commissioner also appoint a receiver or supervisory manager over the affairs of the company; and that the commissioner call for the immediate resignation of any and all "drinking" employees.

Casualty Property, Unit Formed in Ala.

A group of insurance company executives, agents, general agents and field men have formed Alabama Property & Casualty Insurance Council in Birmingham.

Objectives of the new organization include support of state regulation of the insurance business and opposition of federal encroachment, greater use of taxes collected from domestic companies to support and improve the state insurance department, proper qualification for agents, safeguards against entry or organization of irresponsible insurance companies and reduction of large damage awards by the courts.

Officers are W. O. Thomas of Mol-

EXECUTIVE SPECIAL AGENT \$8,500 to \$10,000

This position requires a man 40 to 45 with at least 10 years multiple line experience as a Special Agent. He will be required to do nationwide traveling calling on large general agencies. This position could very conceivably lead to agency director. Of course, all correspondence is confidential.

FERGASON PERSONNEL

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ton, Allen & Williams agency of Birmingham, president; Robert M. Campbell, Birmingham local agent, King G. Luck of Burnham agency of Birmingham, and Frank E. Patrick, president of Stonewall Ins. Co., vice-presidents, and Fred A. Carnell, president of American Liberty, secretary.

Union of St. Louis Buys State Fire of Concord

Union of St. Louis, formed nine months ago to sell insurance policies to labor union members and their families, has acquired State Fire of Concord, N.H.

Thomas F. X. Gibbons, St. Louis general agent and president and chairman of Union Corp. of America, holding company for Union, said the deal was financed through the sale of stock.

State Fire, oldest company in the Jackman group, will adopt the name of the parent, Union, and the executive offices will be moved to St. Louis. The fire and casualty company will have a capital and surplus of \$250,000.

Union Corp. was formed nine months ago as a Missouri corporation to sell fire and casualty insurance, but it was decided to purchase the New Hampshire insurer instead. Subsequent plans call for the incorporation or purchase of mortgage and loan companies.

Meneefee, Suggests La. Department Discontinue Liability Policy Files

George H. Meneefee, chairman of the casualty and surety division of the Louisiana department, has recommended that maintaining files of copies of every liability policy written in Louisiana be discontinued. Under the law, the department is required to keep a copy of every liability policy and maintain it until 15 months after expiration. Mr. Meneefee says more than one million policies are in the files and "they serve no purpose whatsoever except to comply with this portion of the insurance code."

Only a few attorneys make use of the files, he said, but they take up 50% of the department space. Furthermore, when an attorney has knowledge of high limits are provided he is likely to ask for a higher settlement. Elimination of this portion of the law, which benefits a few attorneys, could save the department up to \$200,000 a year, and Mr. Meneefee said this would permit a reduction in rates which would aggregate \$1 million.

N.J. Increases UM Levy from \$3 to \$8

Gov. Meyner of New Jersey has signed a bill which increases from \$3 to \$8 the annual assessment for uninsured motorists beginning June 1. The money will go to the state's unsatisfied judgment fund.

The new law puts the support of the bill completely on the uninsured motorist. Heretofore insured "motorists contributed \$1 a year to the fund.

\$123,500 Award in Wis.

Milwaukee county circuit court jury has awarded damages totaling \$123,500 to an eight year old girl and her father in a \$150,000 suit for injuries the girl suffered when she was struck by a truck. This is the largest personal injury verdict in the history of the Milwaukee circuit court.

The girl, Joan Ryback, was awarded \$100,000 and her father \$23,500 for the girl's medical expenses. The girl was struck when she alighted from a school bus and started to cross the country

road in front of her home. She was in a coma for two months and had to have considerable therapeutic treatment.

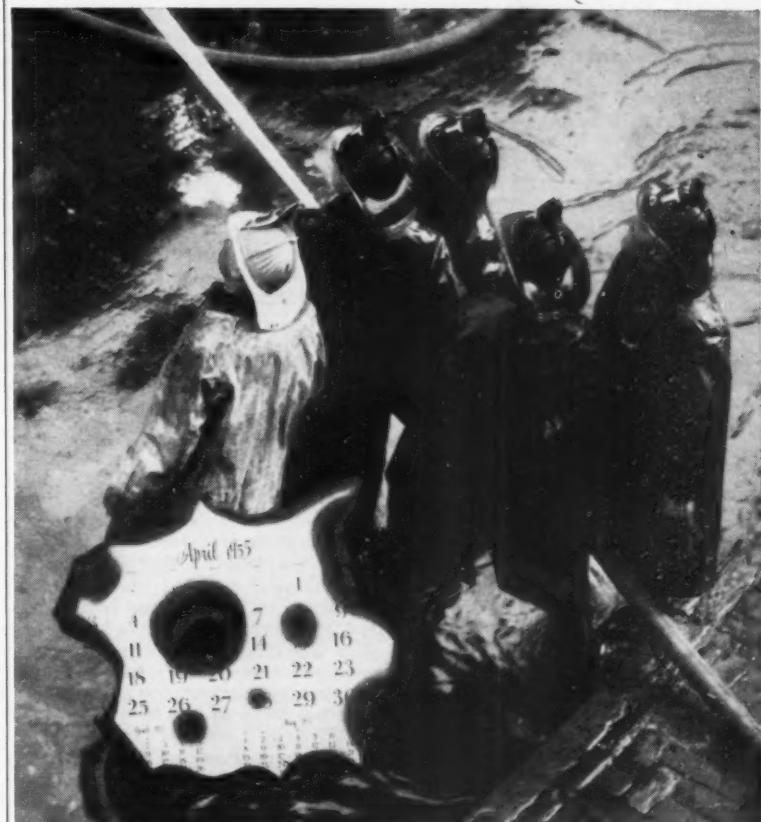
Under the Wisconsin comparative negligence law, the truck driver was found 60% negligent and the school bus driver 40% negligent, the truck driver for driving at an excessive rate of speed and the bus driver for driving the bus away before the girl had crossed the street. Both the trucker and the bus driver were insured.

National Union group has opened a new multiple line service office at 415 Congress Street, Portland, Me.

Yorkshire Promotes Deverall, Strain, Falke to High Posts

R. L. Deverall and James Strain have been elected vice-presidents and A. J. Falke Jr. has been appointed assistant secretary of Yorkshire and Seaboard F&M.

Insurance Women of San Angelo (Tex.) have elected the following new officers: Mrs. Etta Bishop, president; Miss Jane McWhorter, 1st vice-president; Mrs. H. T. Hartman, 2nd vice-president; Miss Nelline Bell, secretary, and Miss Margaret Overholser, treasurer.



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ACCIDENT & SICKNESS

Blue Cross-Hospital Problems Aired at Tri-State Meeting

The necessity for Blue Cross and hospitals to work together was the theme of a general assembly sponsored by Blue Cross section at the annual Tri-State Hospital Assembly in Chicago.

The assembly was held under the direction of L. W. Hamblin, president Illinois Hospital Assn., and was moderated by Robert T. Evans, executive director Illinois Medical Service.

Kenneth Williamson, associate director American Hospital Assn., reported on the government's views toward health problems. A strong program is in progress to further government adoption of a pre-paid health plan for federal employees. Blue Cross, Mr. Williamson said, offers the best solution to the government's own problems in health insurance.

Rev. John J. Flanagan, executive director of Catholic Hospital Assn. and a director in the department of hospital administration of St. Louis university, said thinking must be geared to the promotion and extension of Blue Cross coverage. Blue Cross should spend less time trying to cut hospital costs and direct its energies to increasing membership. It is the responsibility of hospitals to train front office personnel to advocate Blue Cross and Blue Shield, Rev. Flanagan said, "to protect the public from the fine print artists in commercial companies who seek to victimize the most helpless sections of our society."

Rev. Flanagan concluded that Blue Cross must move forward with the ideal of non-profit pre-paid coverage in the face of increasing competition from commercial companies.

Speaking for Blue Cross, W. S. McNary, executive vice-president of Michigan Hospital Service, said less than one-third of the public is now protected by Blue Cross, and the sights should be set on the other two-thirds. To attract members he advocated a vigorous program of publicity and increased benefits.

Many hospitals, he said, are not recognizing their responsibility to Blue Cross and the community they serve. He cited examples of patients being kept in hospitals longer than necessary, charging drugs for home use to Blue Cross, and a lack of economical programs.

Mr. McNary stressed the need of a national committee with authority to make decisions on a national level and for greater inter-chapter cooperation.

Columbus A&H Agents Elect

C. S. Curtis, assistant manager of the Swisher agency of Mutual Benefit H. & A., has been elected president of Columbus (O.) Assn. of A&H Underwriters.

Other officers are T. A. Stevens of Provident L&A. vice-president; P. A. Wagner of Business Men's Assurance, secretary, and J. R. Hennen of American Service Bureau, treasurer. Directors are F. J. Daugherty of North American Life, D. C. Henderson of the Henderson agency and R. C. Rowley of Central Assurance.

Farm & Home of Indianapolis has been licensed in North Dakota.

Governor's Commission Hears Testimony in Mich. Blue Cross Study

LANSING, MICH.—Dr. Harry F. Becker, medical director of Michigan Hospital Service, claimed that 20% of Blue Cross premium payments are wasted on patients who should not have been admitted to hospitals, at a meeting of the governor's study commission on prepaid hospital care plans. Dr. Becker admitted the estimate was his "personal opinion" and cited a study showing that about 14.7% of the bed-days used by patients in Michigan general hospitals were "unnecessary." He said the study also showed the frequency of misuse of hospital facilities varied in direct proportion to the share of expense borne by pre-payment plans. Both hospitals and doctors have tried to remedy the situation without success, he declared.

Dr. L. F. Foster, secretary of Michigan Medical Assn., told the commission he felt the solution lay in adequate "education." George E. Bowles, commission chairman, said the University of Michigan has offered its assistance in the current study.

B. D. Dann, administrator of Hackley hospital, Muskegon, said there is no indication of a leveling off or decline in hospital costs. "We must expect hospital costs to continue to increase about 5% annually over a period of many years unless there is a very significant decline in the general economic situation," he said. He claimed that patient-day costs increased from \$9.39 to \$21.76 from 1946 to 1954.

The commission was named to study the situation after CIO executives criticized Blue Cross rate increases and demanded correction of conditions causing the upturn.

Texas A&S Claims Men to Convene at San Antonio

Texas A&S Claims & Underwriters Assn. will hold its annual convention at San Antonio June 8 and 9. Dr. J. L. Cochran, president of Texas Medical Assn., will speak on "Our Future and What Are We Going To Do About It."

Other speakers and their topics will be Stanford Miller, vice-president of Employers Reinsurance, "Substandard Accident & Health"; Horace Cardwell, president of Texas Hospital Assn., "If I Were a Claims Manager"; Francis C. Sullivan, San Antonio district manager, American Hospital & Life, "The Field Man's Viewpoint," and J. D. Wheeler, American Hospital & Life general counsel, "Accident & Health Advertising Code."

Combined Names Smith in Vt.

Charles J. Smith, Rutland, Vt., agent since 1938, has been appointed regional manager in Vermont for Combined of Chicago.

Associated with him will be Percy Emrich, state agent, who will supervise the agency field activity. Mr. Smith's agency services Vermont and New Hampshire.

Ohio Agents Set Date for Annual

Ohio Assn. of A&H Underwriters will hold its annual convention at Cleveland June 1. The speakers will include C. J. Schied of Cleveland; Chet Elson of Waterloo, Ia., and David T. Conklin of Washington.

Fireman's Fund to Write Major Medical for Individuals

Fireman's Fund group is introducing a major medical expense policy for individuals. The new policy furnishes blanket coverage to limits of \$5,000, \$7,500 or \$10,000, and expenses from any single disability will be covered for as long as three years.

Five combinations are available: \$5,000 benefit limit with \$250 or \$500 deductible; \$7,500 benefit limit with \$500 or \$750 deductible; or \$10,000 benefit limit with \$1,000 deductible. When covered expenses are incurred within a three year period, the company pays 75% of the first \$2,500 in excess of the deductible, and then 85% up to the benefit limit. One deductible applies when two or more family members are injured in the same accident or contract the same disease within 30 days of each other.

Family members between the ages of one month and 55 years and individuals between the ages of 18 and 55 years are eligible. The policy is renewable, at the option of the company, to age 70. The premium schedule for new and renewal business reflects the varying medical, hospital and surgical costs of different age groups and in different parts of the country. Self-employed males in class D* through G may be covered with an additional premium for the added occupational hazard not covered by workmen's compensation. When more than two family members are insured in the same policy, a 10% premium reduction is allowed. There are no restrictions as to type or daily cost of hospital room and board, and hospital extras, drugs and charges of physicians, surgeons or nurses are not limited to any set amounts. Excluded are losses covered by workmen's compensation or occupational disease laws; pregnancy, childbirth or miscarriage (specific complications are covered); dental surgery or treatment (except injury to natural teeth); war or military service; injury while operating or learning to operate or serving as a member of the crew of an aircraft; treatment in a military or veteran's hospital; cosmetic surgery unless occasioned by injury.

Organize New Dental Group Plan in N. Y.

Dental Insurance Plan, Inc., 26 Court street, Brooklyn, has been organized to offer non-profit group dental coverage to low income employee and union groups of 50 or more members.

The cost will be \$1 a month for each insured, \$2 for insured and spouse and 90 cents apiece for children under 18. At least 75% of a group must enroll to be eligible, regardless of the present condition of their teeth.

Benefits include annual examination of the mouth; annual radiographic examination, consisting of full mouth x-ray series; annual cleaning of teeth; all necessary fillings of silver amalgam or porcelain; extractions where indicated, and emergency visits requiring any of these services.

Lewis Weingarten, general agent of Union Casualty & Life in Brooklyn, is administrator of the plan.

Terms Cal. A&S Ads OK

LOS ANGELES—Commissioner McConnell, in his statutory report to the governor for March, prominently reviews the matter of inquiries made about A&S by the California subcommittee on finance and insurance.

Following department action the past few years against improper A&S advertising by companies and agents, Mr. McConnell said there has been a

vast improvement. "Recent advertising material used in the state and coming to the attention of the department," he said, "indicates that the insurers have substantially corrected, in some cases completely corrected, the practices which have heretofore been the subject of action and activity of this department."

San Antonio A&H Agents Discuss Give-Away Deals

San Antonio Assn. of A&H Underwriters at the May meeting heard a discussion of the free insurance being offered by auto manufacturers and were told that the Texas board of commissioners is studying the matter.

Herman Andrew of Business Men's Assurance, vice-president of the association, presented a certificate of appreciation to Marion Coulter, immediate past-president.

Ft. Wayne A&H Agents Hear O'Connor at Annual

State compulsory disability plans and social security amendments were the subject of a talk by Edward H. O'Connor, managing director of Insurance Economics Society of America, at the annual meeting of Ft. Wayne A&H Assn., May 11.

The only business scheduled was the election of officers.

FIELD

Montana Blue Goose Names Mittendorf MLG

R. E. Mittendorf, North British, was elected most loyal gander of the Montana Pond of Blue Goose, succeeding Merle Worden, Eagle Fire of New York.

Other officers elected are C. R. Pearson, Billings, supervisor; Charles H. McCormick, North River, keeper; L. A. Panger, St. Paul F&M, wielder; Del Cawley, Fire Association, custodian, and J. M. Sogard, Great Falls local agent, guardian.

Mr. Mittendorf and F. J. Sullivan, assistant manager Montana Fire Rating Bureau, were named delegates to the Grand Nest in Milwaukee. Russell Lokens, New York Underwriters, was named convention alternate.

Cygnets, the women's auxiliary, named Mrs. Mittendorf chairman. She will appoint a secretary and treasurer from Helena. Some 66 members attended the pond meeting and 23 the Cygnets' luncheon.

Holmes to West Nebraska for Hawkeye-Security

Lowell Holmes has been named field representative in western Nebraska for Hawkeye-Security, with headquarters at Scottsbluff. He replaces Frank Gleeson who was transferred to Omaha.

From 1947 to 1953 Mr. Holmes was with Hawkeye-Security as audit-engineer and field representative.

Hoerster Joins Hanover as Iowa Special Agent

Julius F. Hoerster Jr. has joined Hanover Fire as special agent for Iowa. He will be associated with State Agent C. W. Borrett and have headquarters at Des Moines.

Mr. Hoerster was formerly special agent for National Union Fire in western Iowa.

Inspect Culver, Ind.

Indiana Fire Prevention Assn. inspected Culver, finding 60 of the 71 buildings inspected defective, and making 199 recommendations for improvements. Twenty-four members of the fire prevention association were aided by four deputy state fire marsh-

als, 13 firemen, and 30 Boy Scouts. The Scouts were given an examination on fire prevention, and the winners received cash awards.

R. F. Hamm of Indiana Rating Bureau spoke at the luncheon, which was sponsored by the Culver chamber of commerce and fire department, with about 170 in attendance.

Annual Meeting, Golf on Agenda for O. Blue Goose

Ohio pond of Blue Goose will hold its annual meeting and banquet, May 21, at the Hotel Southern, Columbus.

The annual golf outing of Maumee Valley puddle will be held the same week, May 23, at Chippewa country club, Toledo.

Mahoney Addresses Maine Field Club

Commissioner Mahoney addressed the Pine Tree State Field Club at the annual commissioner's night meeting on current problems facing the Maine department. He said the department is planning an investigation of over-charges on automobile collision cover. Other guest speakers included Guy Whitten, deputy commissioner, and Harold Trahey, department rating analyst.

Barton in Okla. Field for London Assurance

London Assurance has appointed Frank K. Barton Jr. special agent in Oklahoma and Arkansas at Oklahoma City. He was formerly with Arkansas Inspection & Rating Bureau at Little Rock and most recently was Oklahoma special agent of Employers group.

R. I. Field Men Name Fire Prevention Group

Rhode Island Fieldmen's Assn. appointed a fire prevention committee at its May meeting at Providence. The members are Richard Wathers of National Fire, chairman, Walter Mathews of Hartford Fire, Robert Towne of Boston, Timothy Hopkins of Phoenix of Hartford, Robert Staples of Home and William Worthley of Aetna Fire.

Charles S. Black, director of National Automobile Theft Bureau, described how the bureau locates stolen automobiles and how it has been successful in breaking up auto theft rings.

To Inspect St. James, Mo.

Missouri Fire Prevention Assn. will inspect St. James on May 23. Headquarters will be in the high school and the luncheon session will be held at Rock Haven Inn.

Dallas (Tex.) Blue Goose Auxiliary has elected Mrs. L. L. Solmer, president. She is the wife of Lawrence L. Solmer state agent for Pacific National Fire.

Virginia Field Men Elect Cole President

John C. Cole of Fire Association has been elected president of Stock Fire Insurance Field Club of Virginia. Other new officers are Stuart K. Frayser of Springfield F.&M., vice-president; G. A. Sprinkel of Loyalty group, secretary, and C. B. Marshall of Phoenix of Hartford, T. S. Parsons of Virginia F.&M., J. H. Hosier of National Union, R. D. Briggs of Home and J. G. Spence of Springfield F.&M., executive committee members.

E. D. Sommers, assistant secretary of Virginia Insurance Rating Bureau, spoke on the bureau's recent filing of extended coverage rates with Virginia corporation commission.

Security-Connecticut Names Hubbell in Cal.

Craig Hubbell has been appointed special agent for the San Diego territory for Security-Connecticut. He succeeds Douglas Kearns, who has been promoted to manager of the southern California underwriting section.

Mr. Hubbell, before joining Security-Connecticut, was with the Corbett & Edelen agency in San Diego for three years and prior to that was special agent for Providence Washington.

Hartford Accident Raises E. B. Smart in Ore. Field

Hartford Accident has named Eben K. Smart special agent in Portland, Ore., with headquarters in the Portland Trust building. He will assist Special Agent Norman Knowlton.

Mr. Smart joined Hartford in 1949 in the underwriting department at San Francisco. Most recently he was payroll auditor in Portland.

Employers Names Lind to Cape Cod Field

Employers group has appointed Norman E. Lind special agent in the Cape Cod area of the companies New England department. He has been with the group as a senior underwriter. He succeeds Daniel W. Howells who has been recently assigned to the New England agency department.

N. B. Opens Wis. Office

North British group has opened a field service office in Eau Claire, Wis., at 603 Ripley avenue. State Agent Edward Van Leuven is in charge. He was formerly at Milwaukee.

M. B. Elbert Retires

Milton B. Elbert, executive state agent in Texas for Phoenix-Connecticut group, has retired from active duty after 36 years of service with the group. He is being succeeded by W. Ross McCain Jr., of Arkansas, with the title of manager.

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- A 3D policy substituted for blanket bond and burglary contracts, with savings and better coverage.

Did I get the account? Of course! Moreover and perhaps more important, the owner told his friends and I can trace several additional accounts to this one survey."

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the properly qualified "Independent" local agent can best SERVE the insuring public. Unlike the "Captive" agent he is free to utilize the insurance facilities of the world. In the present and continuing struggle between "Independent" and "Captive" agents it is important that this capacity of THE "Independent Local Agent" to SERVE be emphasized again and again. This series of twelve actual stories of everyday service rendered by "Independent" agents is published in that spirit. Reprints are available without cost or obligation.

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NEW YORK

Whitford Stresses Potential of Mass Market for Sales

The importance of the so-called mass market as a source of profitable business for local agents was emphasized strongly by George V. Whitford, vice-president of Fire Association, in his address before the 50th annual meeting of Iowa Assn. of Insurance Agents at Des Moines.

Mr. Whitford pointed out that the industrial giants achieved their leading positions by selling the rank and file of the public. Banks have seen their profits whittled away by savings and loan associations and the independent grocers learned a hard lesson from chain stores, he observed. The insurance agents are finding their customers switching to the big, specialty insurers that go in for mass selling, and no amount of wishing or fighting to maintain the status quo is going to stop the trend. If the competitors can sell their products for 15 to 25% less than the local agent, while providing satisfactory service and enticing customers, the agents and companies have to find a way to reduce retail prices, Mr. Whitford declared.

If direct writer business locations provide the advantage of "being in the way of" thousands of customers working together, he said the rest of the industry has to use its ingenuity and come up with a way to put its facilities "in the way of" thousands of customers.

If the competitors are successfully selling personal insurance to people in basement stores, the rest of the industry has to put its professional label and habits aside and rearrange its working day in order to spend more time selling to people.

If the competitors can distribute new policies as quickly as they come on the market, it is questionable whether the rest of the business can afford the "luxury" of intramural competition that hinders and delays the sale of

insurance, or the nonchalance of many agents who demand improvements of tomorrow before they will sell the product of today.

If the competitors can show consistent underwriting profits and their salesmen receive generous financial rewards for their work, the rest of the business might take a second look at the principal of making less profit on each individual sale and increasing the aggregate profit by selling to more people.

However, Mr. Whitford said most attempts to work out solutions to such questions are beaten because nearly everyone in the industry has worked out a whole series of techniques for dodging the issue, although there are many factors working in favor of the local agents if they are ready to act. He mentioned the tremendous increase in income and business activity and population which is increasing the insurance market daily and is continuing to prove the importance and economic power of the mass market. While the independent grocer in 1930 was fighting the chains he was fighting a depression also, but the local agents can look ahead to a period of dynamic growth.

Minneapolis Insurance Club Elects Opsal

Joseph G. Opsal has been elected president of Insurance Club of Minneapolis to succeed Carroll E. Mavis, who was named a director.

Warren W. Foster, state agent of Aetna Fire, was elected vice-president, and Clyde B. Helm was reelected secretary-treasurer.

Robert T. Palmer, chief of the fire prevention bureau, described the operations of his office.

Nelson & Killian to New Office

Nelson & Killian Inc., independent adjusting firm operated by L. A. Gould and S. N. Felthouse at Detroit, has moved from offices in the Lafayette building to 12248 Grand River avenue. The new phone number is TEXas 4-9342.

SWISS REINSURANCE COMPANY OF ZURICH, SWITZERLAND

Organized 1863

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United States Manager
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UNITED STATES BRANCH, ESTABLISHED 1910

Agency Management, Competition Keynote St. Louis I-Day

Agency management and perpetuation and methods of combating competition keynote speeches at the first St. Louis I-Day, attended by some 200 agents, brokers and company men.

Richard J. Layton, vice-president of Rough Notes Co., opened the program with an illustrated talk on office management and work simplification. He said the best way to combat lower commissions, increased office costs and direct writer competition is to get out and sell. The use of efficient and simplified business forms for record keeping, invoicing and collections will reduce office costs and afford more time for selling, he said. He urged careful study of agency operations and said, "if your agency is doing something today in the same way it was done 5 to 15 years ago, you may be sure something is wrong."

Rhea Hurd, sales promotion superintendent of American Automobile, in a talk on "The Care and Feeding of Customers," said the average insurance customer lives in a dream world that causes him to take a tremendous gamble with his property but not his family. He has only about 15 cents left out of every dollar he earns after taxes, living costs and other family demands are taken care of. With this 15 cents, he has to do the many things he wants

to do—and there are many things he prefers to buying insurance. "The agent is the one who produces the change that causes the purchase of a policy. When Mr. Average finally becomes a customer, he is completely sold on the agent and his product. But not for long. Sooner or later he reverts to his former status and if the agent forgets about the policyholder until the policy expiration date, competitors for the premium dollar steal into the picture and will do anything to take advantage of the agent's false sense of security." Mr. Hurd pointed out that

the policyholder is constantly being swayed by the things he would like to do with his money other than buy insurance. Coupled with this, he said, is the competition from rival agents, direct writers and "young and hungry" agents. To keep customers and increase business, Mr. Hurd said, an agent must clearly understand where his competition comes from and then combat it by personal contact with customers, advertising and building up the favorable attitude that enabled him to write the business in the first place.

Dr. John D. Long, assistant professor of insurance at Indiana University, advocated life insurance as the best way to transfer a going general agency under a buy and sell agreement, since it removes the uncertainty of the buyer to complete the transaction. He reviewed various methods of agency continuation and pointed out their advantages. "After an agent determines whether he should have a plan for continuation and what type of plan to use, he should have all agreements prepared by a competent attorney to assure their legality," he concluded.

DO YOU APPOINT AGENTS?

Are you the one in your company who is responsible for getting new agents? If so, you know they are appointed in the field. No successful plan has been devised for signing them up by mail. There is no easy way. You must travel; ask; hunt around; inquire of everybody, everywhere; follow up leads; talk to strangers, and keep everlastingly at it. That is how agents are appointed. The hard way.

But don't make it any harder than it needs to be. Don't handicap yourself unnecessarily. When you are finally in the presence of a desirable prospective agent and cannot close with him because he knows nothing about your company, never even heard of it before, that is your fault. You did it to yourself.

How? By not advertising in the trade papers, thus withholding any information about your company that agent might have had in advance. In all such cases, you defeat your whole purpose because you send no advertising messages in advance to build reputation, prestige, good will, or what is called in advertising circles "consumer acceptance."

You can remove this handicap anytime you want to by inaugurating a series of advertisements about your company, its advantages, and what it has to offer, in a widely circulated and well regarded trade paper such as The National Underwriter. If you do you will certainly notice the difference.

The NATIONAL UNDERWRITER

Largest Circulation of Any Weekly Insurance Newspaper



EDITORIAL COMMENT

Nature of Direct Service Insurers

Do local agents generally recognize the exact nature of the competition which confronts them and which tends to become somewhat more formidable all the time? There is, of course, no mystery about the so-called direct writing companies. There are both stock and mutual companies that have agents, but whose agents place business only with one company or one group. Their operations are easy to understand. In the minds of most local agents they are not as menacing a problem as the so-called "direct service" companies.

Exactly what is a direct service company? It is one that pays the average or somewhat higher than average first year commission but a comparatively low renewal commission. With most such companies that, for example, write automobile insurance, the first year commission is 30% and the renewal 8%. Renewal notices are sent from the home offices of such companies directly to insured and this apparently is how the term direct service is evolved. The agent is not asked to do anything about the renewal unless the policyholder cancels, in which case a notice of cancellation is sent to the agent. But even if he renews the policy after cancellation, he is usually given only the 8% renewal commission.

The contention of the direct service companies is that, because of the way they operate, their agents are relieved of most of the burdensome office detail. In fact, it is argued that such agents do not actually have to have offices because they do not have a large amount of clerical work to do. In effect, these companies say they do the agent's bookkeeping for them thus saving them the cost of renting office space, maintaining clerical help, and paying for telephone, light, heat, etc.

There may be some who wonder how such agents can make a respectable living on renewal commissions of 8%. If the setup of the direct service companies is studied it will be seen that most of them have a life company affiliate and that they are constantly urging their property writing agents to interest themselves in writing life insurance. An agent of such companies who writes both property and life insurance does manage to make a satisfactory income, but this is seldom the case if a reasonable volume of life insurance is not written.

The turnover in the agency organization is high compared with the regular agency

zations of direct service companies is companies. In other words, an agent of a direct service company who finds himself able to sell property and life insurance is liable to switch to a company or a company group that will pay him much more in the way of renewal commission than is obtainable from a direct service writer.

The direct service companies have made notable progress in the past decade. Their success raises a question that all local agents should be willing to ask themselves and that is "what more do I do for my customers than is being done by the agents of the direct service companies?" Going further and into more detail, this question simply means, does the agent mingle with his customers, call upon them personally, talk to them over the telephone, meet them socially, impinge his personality upon them in every possible way so that they think of him as a definite recognizable individual in the community rather than someone who happens to represent a company that sends renewal notices by mail? The regulation local agent should be able to make a virtue of the fact that he is on the ground, that communications from the companies he represents do not come directly from the home offices of those companies but through him, their authorized, recognized agent who is on the job in every community all over the United States to give personal service of the kind that is bound to be more satisfactory than any mail operation can possibly be.

In order to meet and defeat competition the full nature of it must be understood.

PERSONALS

T. Coleman Andrews, former internal revenue director and current president of American Fidelity & Casualty, has returned from a London business trip.

Robert A. Greer, managing general agent at Jackson, Miss., was married to Miss Gladys Hoke, former local agent at Jackson.

T. E. Barton, resident vice-president of U.S. Casualty at Chicago, who had undergone surgery and for several weeks following was convalescing in

his home in Glencoe, Ill., is now back in his office on a full-time basis completely recovered.

Niagara university has conferred an honorary degree upon **Edward P. Argy**, local agent at Niagara Falls. Mr. Argy is national president of the university's alumni association and he has long been prominent in lay Catholic affairs.

A. J. Glickson, head of the A. J. Glickson agency at Chicago and a member of Chicago board for four decades, has been elected a director of Covenant Club of Illinois. Long prominent in civic, communal and insurance activities, Mr. Glickson has contributed prose and poetry to many publications, including the insurance trade press. His story "Sables in Flang," a satire on an industrial tycoon who believes in everything except insurance and who later came to a sorry end because of his disbelief, will be remembered by many insurance readers.

Mrs. Bennett G. Gregory, wife of the manager of the Insurance Board of St. Louis, and **Mrs. D. O. Layton**, whose husband is a partner in W. H. Markham Co. agency, had an unusual experience when lightning struck the Gregory home in Webster Manor recently. The ladies had just finished making coffee and were in the kitchen when lightning struck the house. The lightning disintegrated the plaster on the walls, fused all of the electric wiring and twisted electric light fixtures into grotesque shapes. None of the fuses in the house blew out.

Alfred C. Bennett, New York attorney and counsel to the liquidation bureau of the insurance department, sailed with Mrs. Bennett for seven weeks in Europe. One stop on their itinerary is Venice, where Mr. Bennett will attend the 125th anniversary convention of General of Trieste. The celebration will be attended by 6,000 representatives of the company, largest in Europe outside Great Britain, from over the world. General owns Buffalo and has a U. S. branch with headquarters in New York.

DEATHS

WILLIAM FRAZIER, 64, state agent for Sun in Pennsylvania since 1934, died in his home in Margate, N.J.

CLIFFORD LEWISH JR., 85, retired treasurer of Mutual Assurance, died in Philadelphia. He was commissioner of public works in Utica, N.Y., before entering insurance.

JACOB ROSEN, 77, president of York Brokerage Co., New York bro-

kers, died in Beth David hospital, Brooklyn.

THOMAS C. WILSON, 76, head of the Wilson Brothers agency at Hawesville, Ky., and for more than 40 years president of the Hawesville Deposit Bank, died at a hospital in Owensboro.

ROLAND B. SNOW, 78, retired Chatham, Mass., local agent, died there.

ARTHUR P. HYMEL, 49, New Jersey regional manager of Royal-Liverpool group, died in St. Joseph's hospital, Paterson, N.J. He joined L&L&G. in 1924 and was appointed group regional manager at East Orange in 1953.

CHARLES S. MALCOLM, manager in Canada of Royal Exchange group for 26 years, died in Montreal. He was a past president of Dominion Board of Underwriters and Canadian Underwriters Assn. He retired in 1951.

KENNETH J. MACDONALD, 42, adjuster with Maryland Casualty at New York City, died in a Yonkers hospital.

CHARLES E. WILSON, an underwriter of the Frank J. Rogers agency, New York City, died. His home was in Ridgewood, N.Y.

HERBERT W. SPENCER, 75, Chattanooga local agent died at his home on Signal Mountain.

CHARLES N. HENSON, associate of Webster-Heskett-Mauerman agency of Danville, Ill., died there.

JOSEPH D. POMEROY, 58, partner of Pomeroy & Pomeroy, Jacksonville, Fla., adjusters, died in Miami of a heart attack.

ARTHUR E. ALTENDERFER, 52, New York division claim manager for Liberty Mutual, died of a heart attack at New York hospital. He had been with the company 28 years.

PHILIP L. LEADER, president and treasurer of the Philip L. Leader agency of Boston, died there.

EDWIN R. MURRAY, 63, local agent of Philadelphia, died there. He had been in the business 30 years.

JOHN STEVENS, 88, local agent at Appleton, Wis., since 1892, died at his home there after a brief illness.

FRED C. ODELL, 75, general agent of Greensboro for many years and a past president of North Carolina Assn. of Insurance Agents, died.

Saginaw Valley Adjusters Elect

Richard Duclos, adjuster for Frankenmuth Mutual, has been named president of Saginaw Valley (Mich.) Insurance Adjusters Assn., succeeding Chester Murphy, Western Casualty. Other new officers are Robert G. Perkins, General Accident, vice-president; Robert Cherry, American States, secretary, and James Granse, Auto Owners, treasurer.

CHICAGO EDITORIAL OFFICE:
175 W. Jackson Blvd., Chicago 4, Ill.
Managing Editor: John C. Burridge.
Associate Editor: Charles C. Clarke.
Assistant Editors: Charles L. Manning and
Richard J. Donahue.
Copy Editor: William L. Finnerty.

KANSAS CITY 4, MO.—605 Columbia Bank Bldg., Tel. Victor 2-9157. William J. Gessing, Resident Manager.
MINNEAPOLIS 2, MINN.—1638 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Northwestern Manager.
NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-2951. J. T. Curtin and Clarence W. Hammel, New York Managers.
NEWARK 2, N. J.—10 Commerce Ct., Tel. Mitchell 2-1306. John F. McCormick, Resident Manager.

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Murray 8-1634. Fred Baker, Southeastern Manager.
BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.
CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. R. J. Wiegmann, Resident Manager.

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Louis H. Martin, Vice-President.
Joseph H. Head, Secretary.
John Z. Herschede, Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140.

OMAHA 2, NEBR.—410 Keeline Bldg., Tel. Atlantic 3416. Fred L. White, Resident Manager.

PHILADELPHIA 9, PA.—1027 S. Broad St., Room 1127, Tel. Pennypacker 5-2706. Robert I. Zoll, Middle Atlantic Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 544 Market St., Tel. Exbrook 2-1054. A. J. Wheeler, Pacific Coast Manager.



La. Okays N. A. 10% Fire Rate Reduction

The North America reduction of rates in Louisiana on many classes of fire insurance by 10% has been approved by the fire insurance division of the Louisiana Rating Commission, effective April 9.

The 10% reduction applies to all fire and extended coverage rates on policies except those on mercantile contents, warehouses and storage, and manufacturing risks other than public utilities. The decrease also applies to policies insuring against the loss of income including business interruption, extra expense, profits, and rents, additional etc, sprinkler leakage, and optional perils policies other than wind-storm.

Auto Rates Revised in East Under-25 Raised

(CONTINUED FROM PAGE 1)

decreases, amounting to \$2 to \$3. However, collision rates are down 5% for private passenger cars and 10% for commercial intermediate and long haul.

In New Hampshire five territories get liability decreases of \$2 to \$10, otherwise no changes. The \$100 deductible collision on private passenger cars is reduced 6%. The 25% discount on liability and collision for a second car is introduced here. Collision for commercial intermediate and long distance risks is down 10%.

In Vermont a collision reduction of 5% on private passenger cars and 10% on intermediate and long haul risks will reduce premiums about \$100,000 a year. Liability rates are reduced \$1 to \$8 on business and non-business, no under-25 cars. The under-25 males, if married, get a \$5 reduction in Burlington and Rutland.

Mutual reductions on BI in New Hampshire range up to 16% and on PDL up to 19%. The 25% reduction is given for a second car. Two new commercial classes, 7 and 8, are introduced, which has the effect of increasing commercial BI rates over-all 9% and PDL 2%. Broad form use of other autos has been made available to executives of corporations and individual partners in partnerships.

The mutual rate changes result in increases in liability of 7.7% for Connecticut; 7.4% for Maine, and 13.5% for Vermont. The reduction is 7.7% in D. C.

Savings Banks Forum Names Harold Chairman

Savings Banks Insurance Forum of New York state has elected Clarence W. Harold, insurance manager of South Brooklyn Savings Bank, chairman; J. D. MacLennan, associate insurance manager of Bowery Savings Bank, vice-chairman; Charles H. Dugan, insurance manager of Savings Bank of Utica, N.Y., up-state vice-chairman; Charles S. Biggs III, insurance manager of Seamen's Bank for Savings of New York, secretary, and Vincent A. Carroll, assistant secretary of Jamaica, N.Y., Savings Bank, treasurer.

Freeman Joins Colo. Department

Benjamin S. Freeman has joined the Colorado department as an examiner. Mr. Freeman's background is one of finance. He has been head accountant and security analyst with Merrill, Lynch, Pierce, Fenner & Beane; manager for Clark, Childs & Co., and associated with Loucheim, Minton & Co., and Prince & Whiteley, all of New York City.

Promote Three Bond Men at Hartford A&I

David C. Carlson, since 1937 superintendent of the fidelity and surety department at St. Paul, and John F. Austin, bond underwriter in the agents service department at the home office, have been named to general underwriting posts in the home office surety department of Hartford Accident. Perry B. Jenkins succeeds Mr. Austin.

Mr. Carlson joined the company in 1926 in the contract underwriting department. He served two terms as president of Surety Assn. of Minnesota. Mr. Austin has been with the company since 1927. Mr. Jenkins, after home office experience, was bond special agent at Syracuse and surety superintendent at Pittsburgh and Boston. He was vice-president of Pittsburgh Surety Assn.

Midwest Receivership Off to Hectic Start

(CONTINUED FROM PAGE 1)

of four Midwest officers on contempt charges, for returning to the home office Friday night. Those named and arrested Tuesday were W. B. Landwehr, treasurer and sole owner; M. C. Hunter, listed as president; George Spitzer, vice-president, and E. O. Kortemeyer, superintendent of agencies. Messrs. Hunter and Kortemeyer, were picked up by the police just as they were leaving the home office, and Messrs. Landwehr and Spitzer were arrested while leaving the Columbia Club. Bond for Mr. Landwehr was set at \$5,000, for Messrs. Hunter and Kortemeyer at \$2,000 and Mr. Spitzer was released on his own recognizance. Hearing on the contempt charges has been set for May 25. Messrs. Landwehr, Hunter and Kortemeyer were released on bond Tuesday night.

During his in-and-out stay in Midwest's home office Mr. Boyce said he made numerous photostats of "drastic complaints by agents, lawyers, and policyholders in at least 20 states" demanding that Midwest pay its claims. Mr. Boyce said a typical case was a sharp telegam from an agent at Waterloo, Ia., asking why claims of three Waterloo citizens had not been paid. It was addressed to Mr. Landwehr, and Mr. Boyce said on it had been penciled "NUTS" in large capital letters with an accompanying note which said "Get rid of this guy. He is a big pain in the neck. W.B.L."

Now that the dam has burst, suits are being filed against Midwest in rapid succession, at the rate of six to eight a day, all along the line of the original one which got the company into receivership. The Indiana department has a receivership suit pending in Vandalia circuit court. A hearing is scheduled for May 22 on Mr. Boyce's receivership to determine the assets of Midwest.

American-Associated Ups Teese at St. Louis

David V. Teese, claims manager at Newark, has been promoted to field superintendent in American Auto's claim department at Saint Louis. Joseph L. Petritus, formerly a claims supervisor, will succeed Mr. Teese at Newark.

Mr. Teese joined American Auto as an adjuster at Albany in 1944; four years later he was transferred to Newark, and was made claims manager in 1952.

Mr. Petritus joined the group in 1948 as an adjuster at Newark and was made unit supervisor in 1955.

WISCONSIN DEPARTMENT OF INSURANCE

WISCONSIN BOUND?

We have opportunities for you through Civil Service!

We're reorganizing our department and need some new key people.



CHIEF OF EXAMINING DIVISION.

This Division supervises 770 Wisconsin insurance companies. Chief will be responsible for direction of division.

CHIEF OF RATE DIVISION. The Rate Division investigates policy holders' complaints and supervises all insurance rates and policy forms used in Wisconsin. Chief will be responsible for direction of division.

BOTH positions have a starting salary of \$7,632 per year.



Applications must be filed on or before June 4, 1956.

For further information write: Commissioner Paul J. Rogan, State Insurance Department, Room 113 South State Capitol, Madison 2, Wisconsin.

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Va. Assn. Sets Card for Annual May 28-29

Virginia Assn. of Insurance Agents has set the program for its annual convention May 28-29 at Old Point Comfort. Before the sessions begin, May 27, the directors will meet and a dinner will be held for past presidents and their wives.

The opening general session May 28 will be comprised of a discussion of advertising and a public relations program for agents by John M. Goodwin, vice-president of Lindsey & Co., Richmond. E. J. Morgan of Hampton will give the report of the administration. That afternoon George W. Robinson of Tabb, Brockenbrough & Ragland of Richmond will moderate a forum on fire and allied lines. Panelists will be L. O. Freeman Jr., manager of Virginia Insurance Rating Bureau, Claude D. Minor, Richmond insurance attorney, Linwood G. Robinson of Henderson & Phillips of Norfolk, and Hunter Van Lear, assistant secretary of Home.

At the second general session, David Gray, assistant to the president of Afco, will discuss "Breaking the Barriers through Time Sales." That morning an executive session will be held at which reports will be given, amendments to the constitution considered, and officers and directors elected.

At the afternoon forum on casualty and automobile coverage, G. Wilmer Mackey of Richmond will be moderator. Members of panel will be G. F. Blackburn, assistant secretary of Royal-Liverpool group, Warren F. Curtis of Richmond, Nathan L. Lambeth, superintendent of claims of North America at Richmond, Arch A. Sproul of Staunton, and R. M. Wood of Roanoke.

The annual banquet that evening will feature the presentation of awards and installation of officers followed by the inaugural ball.

Other social events during the convention are a cocktail party the evening of May 28, followed by a dutch treat dinner dance, and a local board dutch treat breakfast the next morning.

Pa. Federation Names Adam and Hatch

Malcom Adam, president of Penn Mutual Life, has been named president of Insurance Federation of Pennsylvania to succeed H. P. Stellwagen, executive vice-president of Indemnity of North America.

Kenneth B. Hatch, president of Fire Association, was named 1st vice-president and the following were named vice-presidents: Samuel J. Carr, resident vice-president of Standard Accident, Philadelphia; William B. Corey, president of Provident Indemnity Life; Stanley Cowman of the Mather & Co. agency of Philadelphia; Ralph C. Dare of Artisans Order of Mutual Protection; Theodore A. Engstrom, manager of Aetna Life companies, Philadelphia; H. H. Gilkyson Jr., president of Chester County Mutual; William M. Guthrie, of Pennsylvania State Council of General Contractors; Edward A. Logue, state agent of Ins. Co. of State of Pennsylvania, and J. Maxwell Smith, president of Keystone Auto Club Casualty.

John H. Hoffman, assistant secretary of Loyalty group, was named treasurer and Homer W. Teamer was renamed secretary-manager and general counsel.

John A. Diemand, president of North America, and Robert Dechert, general counsel of Penn Mutual Life, were named chairman and vice-chairman, respectively, of the executive committee.

Carbonara Named NYU Professor

E. Vernon Carbonara has been appointed adjunct assistant professor of insurance at New York university's school of commerce, accounts and finance. He is a CLU and a CPCU and was formerly an agent of Connecticut Mutual Life and Penn Mutual Life.

W. F. MacConnell & Co., Cincinnati appraisal engineers, has appointed H. N. Cates manager at Indianapolis to succeed K. D. Ostermeyer who has moved to California.

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MARINE UNDERWRITERS SINCE 1872

Full Agenda of Problems Discussed at Local Board Forum in Syracuse

SYRACUSE—One resolution adopted by New York State Assn. of Insurance Agents at its annual convention here expressed unalterable opposition to "various deviating schemes" for competitive advantage by certain insurers. This will, according to the resolution, bring about the eventual destruction of the agent as an independent contractor.

At the annual banquet, the retiring president, Arthur L. Schwab of Staten Island, presented presidential citations to Robert B. Douglass of Potsdam, Herbert S. Brewer of Lockport, and Kenneth Haslam of Islip. C. Fred Ritter of Middletown, the new president, was presented a gold and rosewood gavel, a gift from Mr. Schwab to the association for use during his administration. Mr. Ritter expressed confidence that the association can increase its effectiveness and suggested the goal of doubling the membership.

The local board forum which opened the convention developed a number of ideas and suggestions. Arthur F. Blum of Queens presided. John W. Dickerson, vice-president of Orange county association, discussed the problems of agents with the motor vehicle bureau in handling financial responsibility notifications, a problem that will undoubtedly increase with compulsory; George A. Kramer Jr., vice-president of Nassau county association, described the liaison work of agents with savings banks on acceptance of package policies; John N. Walsh Jr. of Buffalo, chairman, reported for the special automobile dealer competition committee.

Now...

Mill Owners Mutual offers the new Sports Equipment Package.

Covers all sports equipment including boats and outboard motors against "all risks"; plus new "Running Down" clause for third party property damage.

Avoids separate policies and minimum premiums. Provides broader coverage at substantial savings. 30% extra savings for crafts used exclusively on lakes.

Give your clients this package policy convenience and increase your income. Write for complete information.



tee; Lionel S. Frank of Dutchess county association dealt with the decreasing share of the total insurance business being written by local agents and agency companies; John C. Stott of Norwich, chairman of the NAIA public relations committee, discussed that topic.

Also, Alan Eifert of New York City talked on national advertising by com-

panies to combat direct writers; Alan D. Potter, president of Shawangunk valley association, suggested an automatic 30-day cancellation clause in policies to solve the agent's collection problem; Einar G. Johnson of Staten Island dealt with acceptance of homeowners policies by lending institutions, and Carl A. Young and David B. Gere of Syracuse gave a skit on economy auto plans.

Mr. Dickerson said agents are having difficulty with the handling by the MV bureau of license suspensions, revocations, and restorations under fi-

nancial responsibility. He said agents in his territory deal with the bureau office New York City, but agents are having difficulties in other sections. He said the bureau office with which he deals is understaffed and poorly staffed. It is necessary to file several forms in an FR case, telephone calls do not get the proper response, the bureau can't find previous forms that have been filed with it and in some cases cannot even find the file. The bureau issues suspension orders, even though all the red tape has been taken

(CONTINUED ON PAGE 34)

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Glens Falls, N. Y.



Newspaper Mats at below cost...

In the interests of the American Agency System, mats of the newspaper advertisement shown are offered in two- and three-column sizes at below cost — \$1.50 for either size. The mats are arranged to accommodate the signature of an agent, local insurance board or association, and portray the place of the local agent in his community.

PROTECTION MUST FIT

the product and place

In West Africa the farmer protects his grain in caches atop poles. He knows local conditions!

For the sound insurance protection of your clients' business overseas, AFIA knows local conditions too . . . not only in Africa but in practically all countries where American business properties may be located. From its more than 600 branch and claims offices around the world AFIA receives a constant flow of vital information which may materially affect your insured's operation.

To provide strong, professional protection founded upon decades of foreign insurance experience, contact AFIA's nearest office.



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LOS ANGELES OFFICE . . . 3277 Wilshire Boulevard, Los Angeles 5, California
SAN FRANCISCO OFFICE . . . Russ Building, 235 Montgomery Street, San Francisco 4, California
WASHINGTON OFFICE . . . Woodward Building, 733 15th Street, N.W., Washington 5, D.C.

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Convention Dates

May 20-23, Inland Marine Underwriters Assn., annual, Shawnee Inn, Shawnee, Pa.
May 20-23, Inland Marine Insurance Bureau, annual, Shawnee Inn, Shawnee, Pa.
May 21-23, Insurance Accounting & Statistical Assn., Hotel New Yorker, New York.
May 21-23, American Assn. of Managing General Agents, annual, Shamrock hotel, Houston.
May 22, National Automobile Underwriters Assn., annual, Roosevelt hotel, New York.
May 23-25, Georgia Assn. of Insurance Agents, annual, Oglethorpe hotel, Savannah.
May 23-25, Insurance Company Education Directors Society, annual, Skytop, Pa.
May 24, Midwestern Independent Statistical Service, annual, LaSalle hotel, Chicago.
May 24, National Board of Fire Underwriters, annual, Hotel Commodore, New York.
May 27-30, Virginia Assn. of Insurance Agents, annual, Hotel Chamberlain, Ft. Monroe-Old Point Comfort.
May 28-29, Georgia Assn. of Mutual Insurance Agents, annual, King & Prince hotel, St. Simons Island, Ga.
May 28-June 1, National Assn. of Insurance Commissioners, annual, Jefferson hotel, St. Louis.
June 3-5, Tennessee Assn. of Mutual Insurance Agents, annual, Lookout Mountain hotel, Lookout Mountain.
June 4-5, Eastern Underwriters Assn., midyear, White Face Inn, Lake Placid, N.Y.
June 4-6, Conference of Mutual Casualty Companies, management meeting, Lake Delton, Wis.
June 4-8, National Fire Protection Assn., annual, Boston.
June 7, Society of Fire Protection Engineers, annual, Statler hotel, Boston.
June 10-12, Maryland Assn. of Insurance Agents, midyear, Commander hotel, Ocean City.
June 10-12, Insurance Advertising Conference, annual, Skytop Lodge, Skytop, Pa.
June 11-13, South-Eastern Underwriters Assn., annual, The Homestead, Hot Springs, Va.
June 11-13, National Assn. of Mutual Insurance Agents, midyear, Claridge hotel, Atlantic City.
June 12-15, National Assn. of Insurance Women, annual, Conrad Hilton hotel, Chicago.
June 13-16, International Assn. of A&H Underwriters, Miami Beach.
June 14-16, Mississippi Assn. of Insurance Agents, annual, Edgewater Gulf hotel, Edgewater Park.
June 17-19, New England Advisory Board of New England Assns. of Insurance Agents, summer meeting, Wentworth-by-the-Sea, New Castle, N.H.
June 21-22, Missouri Assn. of Mutual Insurance Agents annual, Hotel Chase, St. Louis.
June 27-July 1, National Assn. of Public Insurance Adjusters, annual, Kiamaha Lake, N.Y.
June 28-30, North Carolina Assn. of Mutual Insurance Agents, annual, Mayview Manor, Blowing Rock.
July 12-14, International Assn. of Insurance Counsel, annual, Greenbrier hotel, White Sulphur Springs, W. Va.
Aug. 8-10, Alaska Assn. of Insurance Agents, annual, Fairbanks.
Aug. 12-15, West Virginia Assn. of Insurance Agents, annual, Greenbrier hotel, White Sulphur Springs.
Aug. 20-21, South Dakota Assn. of Insurance Agents, annual, Cataract hotel, Sioux Falls.
Aug. 20-22, International Federation of Commercial Travelers, annual, The Greenbrier, White Sulphur Springs, W. Va.
Aug. 20-24, Honorable Order of Blue Gooses, International, 50th Grand Nest, Milwaukee.
Aug. 22-24, Federation of Insurance Counsel, annual, Shamrock hotel, Houston.
Aug. 23-25, Texas Assn. of Mutual Insurance Agents, annual, Ft. Worth.
Aug. 30-Sept. 1, Montana Assn. of Insurance Agents, annual, Helena.
Sept. 5-7, Oregon Assn. of Insurance Agents, annual, Multnomah hotel, Portland.
Sept. 9-10, Vermont Assn. of Insurance Agents, annual, Middlebury Inn, Middlebury.
Sept. 9-11, Washington Assn. of Insurance Agents annual, Davenport hotel, Spokane.
Sept. 9-12, Idaho Assn. of Insurance Agents, annual, Sun Valley.
Sept. 10-11, New Jersey Assn. of Insurance Agents, annual, Traymore hotel, Atlantic City.
Sept. 10-12, New Hampshire Assn. of Insurance Agents, annual, Crawford House Club, Crawford Notch.
Sept. 12-14, Maine Assn. of Insurance Agents, annual, Samoset hotel, Rockland.
Sept. 12-14, Society of CPCU, annual, Cincinnati.
Sept. 12-14, Michigan Assn. of Insurance Agents, annual, Pantlind hotel, Grand Rapids.
Sept. 16-18, Insurance Federation of North Dakota, annual, Bismarck.
Sept. 17-18, Minnesota Assn. of Mutual Agents, annual, Leamington hotel, Minneapolis.
Sept. 17-19, International Claim Assn., annual, Hotel Chamberlain, Old Point Comfort, Ft. Monroe, Va.



Not many "get by"
when you're backed up
by good team play!

When you're on The Camden "team" you're backed up by an old line company now in its second century of service to, through and for the Agent.

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Cimarron Insurance Company, Inc.



Cimarron, Kansas

Fire and Casualty Insurance

COMMENTS - TRENDS - OBSERVATIONS

Hope to Get Agent Rider Back in Savings Bank BBB; Buyers Eye Other Problems

John Danko, insurance manager of Central Savings Bank of New York City, indicated progress in efforts to have the agents' rider reinstated in the bankers' blanket bond, in an address before the annual upstate meeting of Savings Banks Insurance Forum of New York at Binghamton.

In other talks, Charles S. Purvis, insurance manager of East River Savings Bank of New York City, spoke on travel accident policies available for bank employees and executives. Henry Anderson, insurance manager of American Broadcasting-Paramount Theaters, discussed requirements of a good insurance manager.

Mr. Danko recalled that several bonding companies had dropped the agents' rider from their bankers' blanket bond cover, fearing their liability had assumed catastrophic proportions with the expansion in savings banks, lending to a nationwide basis. The expansion, he explained, necessitated the use by savings banks of service agents or contractors to handle out-of-town loans as an alternative to the BBB agents' rider, the bonding companies brought out a separate bond.

Mr. Danko said the forum appointed a bond committee to study the problem with a view to getting the agents' rider reinstated. The committee, he reported, feels that the agents' bond now on the market is inconsequential. The committee's opinion on the matter is as follows:

"If the failure is due to dishonesty of the agent, his employes, his associates or any other person, the loss is clearly covered under insuring clauses 1 or 5 on the blanket bond.

"If the failure is due to forgery of any kind, such loss is clearly covered under insurance clause 2.

"If the failure is due to the loss of money while in possession of the agent through theft, robbery, larceny, false pretenses, disappearance, destruction or such causes, the loss is clearly covered by insuring clause 3, 4 or 5.

"If the failure is due to the insolvency of the agent's bank, the separate bond expressly excludes coverage and the blanket bond would also exclude it by implication.

"If the failure is due to the seizure of funds in the hands of the agent by a bankruptcy court, there are two possible contingencies. (A) If the agent were aware of his insolvency when he commingled the bank's funds with his own, it would be a dishonest act covered by the blanket bond. An agent who commingles his principal's funds when he knows he is insolvent is certainly dishonest. (B) Finally if the failure was due to the seizure of funds by a bankruptcy court after commingling by an agent who was unconscious of his own insolvency, the

separate bond would possibly give coverage not given by the blanket bond."

Mr. Danko said the forum's bond committee together with a bonding committee of National Assn. of Mutual Savings Banks and insurance and protective committee of American Bankers Assn. have negotiated with Surety Assn. of America and have reached a point "that we feel is amicably satisfactory." However, additional details must be worked out before a policy statement is issued, he added.

Mr. Purvis said that travel accident coverage can be obtained for individual employees, certain classifications of employees or for all employees and for all or particular occasions. He cautioned members, however, to obtain legal advice when purchasing a policy in excess of \$25,000 in the light of two New York banking law sections dealing with group life limits. One section of the law puts a \$25,000 limit on the amount of group life that may be purchased for an officer or an employee. The other restricts group life to active employees, trustees and officers. He commented that his bank's attorney expressed the opinion that the travel accident policy does not conflict with the type of insurance contemplated in the banking law.

He termed an ideal bank policy as one that covers all employees with a principal sum 10 times the employee's basic salary and providing death and dismemberment, including death resulting from violent or criminal acts; medical expense reimbursement to a maximum of 10% of the principal sum, and weekly indemnity for 52 weeks, limited to 50% of the employee's salary and not to exceed \$200 a week.

Mr. Anderson detailed some of the coverages and technicalities a good bank insurance manager must consider. He cautioned, that in the light of expanding out-of-state bank loans, insurance managers must not only be well versed in New York state laws governing policies and coverages, but also the laws in the states in which the bank makes its loans. Fire policies, for example, differ in various states, he said, and the New York policy is not the only one in use.

He stated the insurance manager must know the financial condition of the insurance companies he deals with before he buys protection for his bank's loans and operations. He must know the amount of insurance he can safely accept from any one company on any one property or area.

Home Mutual, Wis., Installs Automatic Policy Machine

Home Mutual of Appleton, Wis., has installed an automatic policy issuing machine system. The new system produces an original automobile insurance

policy, three copies and a policyholder's service card, all automatically typed in one operation by a large electric tabulating machine. The new procedure reduces policy production costs 40 to 50%.

The tabulator types an average of 240 policies an hour. It is capable of producing four times as many policies in one hour as an efficient worker can type in one day. The operation relies on pre-punched cards to feed information about the agent, policyholder, coverages and limits desired, rates and other pertinent information into a IBM tabulating machine. This coded data is electrically translated into words and figures to produce an accurately typed and completed automobile policy. The blank policies are fed into the machine from a continuous fanfold of policies. Also necessary is an automatic multiplier and summary punch machine and a manual key punch.

IAC Newsletter Tells How to Sell Service in Newspaper Ads

How newspaper advertising can be used to tell the value of independent agency service and why it will win business in the face of direct writer competition is explained in the *Agency Service Newsletter* published by Insurance Advertising Conference.

The newsletter points out that people buy things on price for two reasons: When they can't actually afford to pay more or when they don't believe the additional cost of the other product or service is worth more. There are hundreds of thousands of car owners who can afford to pay 20% more for their auto cover, the letter says. It must be that these people don't know that insurance bought from an independent agent is worth more, it continues.

The newsletter reproduces eight agency-service ads as examples of the type local agents should use and points out the help they can get from their companies. It discusses what a newspaper ad should consist of, where to get ideas, copy and art and the best size and frequency of the promotion. Copies of the newsletter are available from Mrs. M. C. Ellson, executive secretary of IAC, 14003 Barcalow street, Somerton, Philadelphia 16.

Driver Education Booklet Published

The accident prevention department of Assn. of Casualty & Surety Companies has published an 8-page folder, *What Everyone Should Know About High School Driver Education*. It describes the need for the course, its growth and its place in schools and covers the qualifications for teachers, equipment needed, the organization and cost of an acceptable course and other pertinent subjects.

Reasonable quantities of the booklet are available at no cost from the association at 60 John street, New York 38.

BBB Report Shows Insurance Inquiries, Complaints Dropping

Inquiries about insurance to Better Business Bureaus dropped in 1955 from third to fourth place in the 10 top classifications, although insurance still held first place in the financial category, according to the annual report of BBB.

The bureau listed 117,918 instances of service to persons inquiring about insurance, a 4% decrease. There was a 20% increase in requests for life insurance information, which was offset by a 24% decrease with respect to other types of insurance, primarily A&S.

Insurance ranked, in instance of BBB service, below home improvement and maintenance, solicitations and home appliances, and above automotive, radio-TV-music, photography, furniture-floor coverings, apparel, and magazine subscriptions.

Some of the instances of service in the securities and investments category represented offerings of questionable mining, oil and insurance stocks.

Of all the service instances, 7,399 were complaints about insurance. Instances of service concerning casualty, surety and fire insurance totaled 26,522, of which 2,515 were complaints. This side of the business had 20 advertisements which required contact with the advertisers by BBB, all of which were resolved without referral to authorities. These advertisements were found in 17 newspapers, one magazine, and three other media. In the A&S section of the business there were 54,712 instances of service, of which 3,515 were complaints. In 51 cases advertisements required contact with advertisers and four were referred to authorities. The advertisements appeared in six newspapers, one on radio, one in a magazine and 46 in other media.

Agency Marks 107th Year with Brochure

Rathbone, King & Seeley, San Francisco agency known as Macondray & Co. until 1923, has issued a brochure which traces the development of the company from 1849 to the present.

F. W. Macondray, originator of the company, was one of 17 San Franciscans, who were organizing Pacific Marine Ins. Co. in 1851, but Macondray & Co. was primarily an import-export firm until 1922 when the insurance business was expanded and the import-export business was dropped.

Present officers and their areas of jurisdiction are E. T. King, general administrator; D. A. Ayling, ocean marine; J. A. Bunting, fire; S. R. Farley, Lloyds and surplus lines; R. L. Plunkett, automobile and casualty; E. G. Taggart, claims, and M. B. Waterbury, manager at Portland, Ore.

Insurance Educators to Meet May 23-25

Insurance Company Education Directors Society will meet May 23-25 at Skytop, Pa. The first day a panel will discuss training trainers with John H. Washburn of Home as moderator. On the panel will be two insurer on-the-job trainers and representatives of training within industry foundations. Douglas Palmer of Mutual Benefit Life will discuss merchandising concepts and a panel will discuss practical training problems. The an-

nual business session will also be held that day.

John Davison of Phoenix of Hartford group will preside over the discussion of audio/visual aids. E. W. Brouder of Hartford Accident will use flip charts and flannel boards and Allan Wikman of General Adjustment Bureau will use models for demonstrations. L. R. Barber of Fidelity & Casualty will present sound slides and George W. Tisdale of Commercial Union-Ocean group will present selections from insurance films. E. C. Vale of Vale Technical Institute will discuss vocational

teaching with aids and exhibits, and a panel will evaluate visual aids.

Herald L. Carlston of University of Utah and Ralph H. Blanchard of Columbia University will take part in the final day's program on university instruction. Officers will be inducted at the final session.

James C. Greene Co., Raleigh, N. C., adjusting firm has been incorporated. Officers of the company are James C. Greene, president; Sara K. Greene, secretary-treasurer and T. Lacy William, vice-president.

North America Opens New Atlanta Office

North America formally opened its Atlanta service office with an open house at 1308 Peachtree street. Agents from Georgia and Alabama and persons from Atlanta joined executives from the home and Atlanta offices in observing the occasion.

From Philadelphia were Herbert P. Stellwagen, executive vice-president, James M. Crawford and R. S. Robins, vice-presidents, William J. Schiff, Edwin H. Marshall, Richard E. Miller, assistant secretaries, and Franklin Vanderbilt, New York resident vice-president, all of Indemnity of North America, and Richard G. Osgood, Charles F. Littlepage, Russell H. Petefish, vice-presidents, Arthur T. Moyer, fire secretary, Richard B. Light, assistant secretary, Frank G. Harrington, advertising manager, and James H. Reese, technical supervisor, all of North America.

Cecil Thompson is manager of the new Atlanta office for North America and Philadelphia F.M., and Robert J. Cornfield is manager for the indemnity company.

The new office, which was constructed and leased to North America, replaces the office formerly located in the Glenn building, Atlanta. It is a modernistic brick and limestone one-story structure, designed for the addition of a second floor if needed. It has more than 8,000 square feet of soundproof office space equipped with air conditioning, fluorescent lighting, and underfloor conduits for electrical and telephone plug-ins. Offstreet parking facilities are provided.

Harrington, Lowden Named by Springfield F.M. in Cal.

Springfield F.M. has named Paul F. Harrington agency superintendent and Richard E. Lowden special agent in the San Francisco bay area.

Mr. Harrington has been special agent for New York Underwriters in California and the northwest. He will be at San Francisco. Mr. Lowden will be in charge at Oakland.



Paul F. Harrington

Garage Safety Manual

A pocket-size manual of safety suggestions for employees of service garages has been released by the accident prevention department of Assn. of Casualty & Surety Companies. The booklets are available from the association to member companies. Others wishing to obtain copies may do so by contacting their capital stock casualty companies or local agents.

The booklet, *Your Guide to Safety as a Service Garage Employe*, discusses gasoline hazards, floors, stairs, ramps, handling cars, working under vehicles, vehicle repairs and carbon monoxide.

Cal. Brokers Group Seeks Members

A spring drive to double membership of Insurance Brokers Exchange of California has been launched in the southern part of the state. It is hoped that every member will bring in at least one new member within the next three months.

Brokers throughout southern California will receive a copy of a folder describing the services of the exchange together with invitations for membership.

"How about you?"



"As a nationally advertised Protection Agent, you are recognized in your community as the man in TIME and POST.

"Talk about prestige! Brother, my business is increasing every month.

"Why not identify yourself with the most progressive promotion in the insurance business? Talk it over with your National Field Man!"



NATIONAL OF HARTFORD GROUP of Insurance Companies

Executive and Administrative Offices: Hartford 15, Connecticut

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD • TRANSCONTINENTAL INSURANCE COMPANY

FIRE • MARINE • AUTOMOBILE • CASUALTY • BONDING

Va., Conn. Courts Uphold Competitive Bids for Fire Cover

Connecticut supreme court of errors has upheld the Hartford housing authority in its contention that it has a right to award a fire insurance contract, after competitive bidding, without question by the taxpayers, in the case of Hartford County Mutual et al vs Housing Authority of Hartford and Firemen's Mutual of Providence.

Meanwhile, in Richmond, Va., the supreme court of appeals upheld the competitive bidding method of placing insurance by the state highway department. The court held, in the case of Goddin, Goodridge & Robertson vs James T. Phelps & Co., that the bid by Phelps & Co. of Boston for fire coverage on the Hampton Roads ferry terminals met the requirements of the law.

In the Connecticut case, the court, in a unanimous opinion, said the housing authority had the right by law to decide which was the lowest responsible bid. The case arose two years ago after the housing authority issued a five-year housing project fire insurance contract to Firemen's Mutual, one of the Factory Mutuals, after competitive bidding by 12 insurers.

The court also held that the Hartford taxpayers, who were local agents, and Hartford County Mutual, which had made an unsuccessful bid, were without power to challenge the award because the housing authority is a distinct corporate entity.

In the Virginia case, the highways department had awarded the contract to the Boston firm as low bidder. Phelps & Co. had offered a combination

policy in nine companies, eight writing at a standard rate and one deviating. The letting of the contract was questioned by Goddin, Goodridge & Robertson on the grounds that the law required approval of the policy by the state corporation commission before, rather than after, submission of bids. The court held that such prior consent is not required.

William J. Kerin, formerly with Aetna Casualty in Providence and Hartford, has opened his own agency at 111 Pearl street, Hartford.

Appleton & Cox Names Myers in IM Section

William E. Myers, former secretary of Commercial Union-Ocean group, has joined the inland marine department of Appleton & Cox. He will assist Vice-president R. F. Degener at New York in the administration of countrywide inland marine operations.

Mr. Myers commenced his career in 1927 with the original firm of W. B. Brandt & Co., then U.S. general agents for all risks department of Commercial Union and continued with that group

when it undertook direct operation of the inland marine department. In 1939 he was appointed secretary in charge of inland marine and served in that capacity until his resignation. He is a member of the executive committee of Inland Marine Underwriters Assn. and a founder and past skipper of New York Mariners Club.

New York City excess lines brokerage firm of Arnold Chait has moved its offices from 150 to 180 Broadway. Mr. Chait is touring western Europe to locate a branch office there.



Is this somebody you?

top drawer attention

Are you getting top drawer attention on claims?

That's what you get when your insured has a claim with

Bituminous. Top drawer attention at top speed. The kind of attention that makes happy clients, breeds new business, makes renewals easy. Why? Because Bituminous adjusters know the coverage, know the answers, know they have the authority to make the adjustment right — and right now. Thirty-nine branch claim offices are ready to make good on our brag.

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Write today for the Bituminous story.

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BITUMINOUS FIRE AND MARINE INSURANCE COMPANY
ROCK ISLAND, ILLINOIS

Specialists in Workmen's Compensation

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OLDEST
REINSURANCE
GROUP**

ESTABLISHED 1900

**THE
PRUDENTIAL**

INSURANCE COMPANY
OF GREAT BRITAIN

THE

SKANDIA

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THE

HUDSON

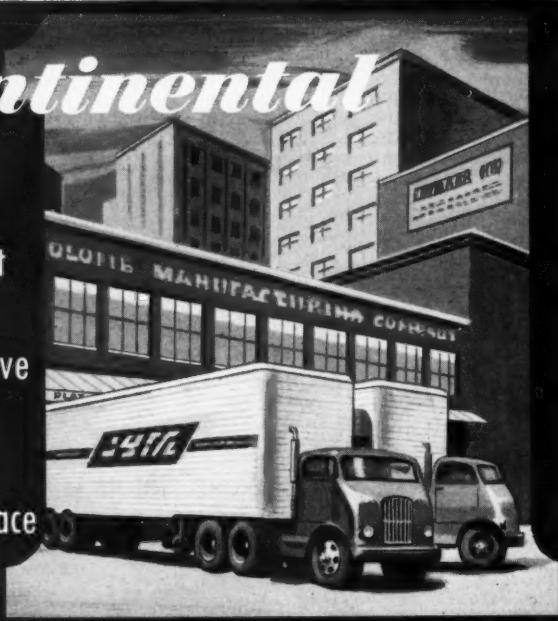
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WHITEHALL 3-9484

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2 Sell the so-called "problem lines"

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ASSOCIATED COMPANIES:

Continental Assurance Co. • Transportation Insurance Co.
"America's Department Store of Insurance"

Ill. Mutual Agents Announce Nov. Date for Annual Meeting

More than 40 mutual agents and company men met at Danville, Ill., for the mid-year meeting of Illinois Assn. of Mutual Insurance Agents consisting of reports from the officers and an educational session.

Kermit Farwell, Northwestern Mutual Fire Assn., discussed the new mercantile block coverages and rating, explaining the advantages of selling this type of coverage.

A panel consisting of George Dressler of Chicago, Leon Runz of Dolton, and Bob Hicks of Chillicothe presented a discussion on "Meeting Competition." It was the consensus of opinion that the well informed agent does not have a great deal to fear from his competition. It is only the uninformed agent, who sells on a basis of reciprocity or price, that has competition to fear.

John Read of Chicago, president of the association, gave a sales presentation on the homeowners policy.

The meeting was preceded by the regular quarterly directors' meeting. The board will meet again July 20 at the Abraham Lincoln hotel, Springfield.

The annual meeting of the association will be held November 8-9. Mr. Dressler, program chairman, has not yet selected a site.

Bill Would Hike D.C. Taxi Cover

A bill has been introduced in the House that would increase the bond required on taxicabs and passenger coverage in District of Columbia. The bill is backed by District of Columbia board of commissioners and the local public utilities commission.

PLM Promotes Ford to Executive V-P; Raises Three Others

Pennsylvania Lumbermens Mutual has promoted John J. Ford from vice-president to executive vice-president and has named Joseph J. Kane resident vice-president at New York, W. Channing Bailie assistant treasurer and Newton B. Morrell Jr. assistant secretary.

Mr. Ford went with the company in 1932 and was named assistant secretary in 1947, assistant manager in 1951, secretary in 1952 and vice-president in 1953.

Mr. Kane joined the company in 1931 and was made assistant manager at New York in 1946. He was appointed manager there last year.

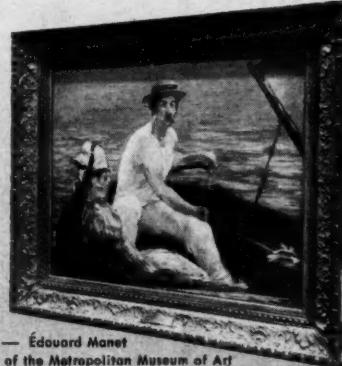
Mr. Bailie went to the company in 1934 in the bookkeeping division. In his previous position he was company budgeter.

Mr. Morrell started with the company as an office boy in 1933 and worked in the general lumber and inspection departments. He headed the inspection department in 1946 and in his last position was an administrative assistant.

Agents, Brokers Summer Course to Start May 25

Insurance Society of New York will offer a summer course for candidates for agents' or brokers' licenses from May 25 to Sept. 11. Classes will meet Mondays, Wednesdays and Fridays at 25 Broadway and will cover fire, inland marine, burglary, fidelity, surety, casualty and package policies in addition to laws of contract, agency and negligence.

THE Fine Art OF DOING BUSINESS



Boating — Edouard Manet
Courtesy of the Metropolitan Museum of Art

There have been great art agents as well as great artists . . . Some have been the making of artists . . . At Berkshire Mutual the fine art of doing business is exemplified by the Company's *Trained Special Agents* whose ready, willing assistance in the field has proved indispensable to our Agents.

BERKSHIRE MUTUAL

FIRE INSURANCE COMPANY

PITTSFIELD, MASSACHUSETTS

SERVING THROUGH LOCAL AGENTS SINCE 1835

Mercantile Block Gives Agent Big Sales Opportunity

The agent has never had a better opportunity to gain new mercantile accounts than he has at present with mercantile block, Bernard J. Daenzer, vice-president of Security-Connecticut group, said in his talk at the convention of New York State Assn. of Insurance Agents in Syracuse.

It is easy to be first with the block, give credit for existing fire and extended coverage, and land an entire mercantile account, he pointed out. This is ideal for the new man in the business. He could take the classified section of the telephone book and get a complete list of retailers, wholesalers, jobbers and distributors that advertise in the telephone books and the local newspaper—those located in good sections of the city. He can consult local associations and banks to find out the individual who controls the eligible accounts.

Most ineligible accounts qualify for one of the inland marine dealer forms. It is wise to hit first those risks in which only part of the whole insurance program is controlled, he advised. In a number of states where this program has been in effect for a short time, it has been found that those which have high burglary limits and transit policies in effect immediately take to the simplicity of a single contract and the over-all advantages of all risks. Those with water damage hazards are hot prospects.

Cost comparison charts are available for demonstration or presentation to the prospect.

These are similar in nature to those which have become popular in the sale of homeowners policies. Columns are provided for insertion of individual policies and premium costs. Then there is a listing of the coverages and the entire cost. It is best to avoid any discussion of the breakdown of the block premium. Once a prospect starts think-

ing of specific loadings, he starts comparing name perils. Without a clear cut selling of the all risk concept, the comparison will not work.

New Nebraska Insurer

Great West of South Sioux City, Neb., has been incorporated. It has authorized capital \$250,000, consisting of 25,000 shares of common at a par value of \$10. The company will begin business with a minimum of \$50,000 capital when it is authorized by the insurance department. Great West will write multiple line coverages.

Eagle Fire Names Ambrose Secretary

Eagle Fire of Norwich Union group has elected Harry G. Ambrose secretary. He was with Guy Carpenter & Co., New York brokerage, since 1948. He began his insurance career in 1933.

The Parry agency of Portland, Me., has been purchased by Insurance Planning Co., affiliate of James B. Longley agency of Lewiston, Me., in a move to acquire five branch offices in the state.

Hartford Fire Names Marine Head in West

Irving E. Artes has been appointed superintendent of the marine department of Hartford Fire in the western department. He is former eastern Tennessee special agent and recently has been special representative of the western department in inspection, production and contact work. He has been with the company since 1937.

The La Junta, Colo., office of General Adjustment Bureau has been moved to 224 W. 3rd street.



VACATION RAIN INSURANCE...

Now available for the first time in the United States

Here is an entirely new kind of insurance ... bringing new opportunities for producers. *Vacation Rain Insurance* safeguards the investment your clients make in their vacation. Available for more than 100 popular resort areas throughout the country, *Vacation Rain Insurance* pays when excessive rain ruins a vacation and "washes out" vacation expenses. And, the more excessive the rainfall, the greater the percentage of recovery for your assured.

A unique feature of *Vacation Rain Insurance* is that your clients need never present a claim. If they encounter excessive rain during a specified number of days (as defined by the policy), we automatically send you a check in payment of their loss.

All you need do is forward the payment ... soothing the disappointment of a "rained out" vacation.

The premium for *Vacation Rain Insurance* is modest, ranging from a minimum of \$10 for \$100 per week for two weeks, to a maximum of \$60 for \$300 per week for four weeks. Virtually all of your clients are prospects.

FIREMAN'S FUND is the only American insurance Group writing *Vacation Rain Insurance*. The coverage is currently available in a limited number of states but its widespread approval is anticipated soon. For further information, call the nearest office of **FIREMAN'S FUND INSURANCE GROUP** or mail the coupon below.

YOUR CLIENT
has confidence in
YOUR counsel!

- You'll safeguard his interests — and yours — when you point out the need for a factual appraisal as a sound basis for determining his insurance protection.

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RECOGNIZED APPRAISAL AUTHORITIES CO.
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First for Factual appraisals since 1910
OFFICES — COAST TO COAST

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VACATION RAIN DEPARTMENT, 250-5th Avenue, New York
Please send me, without obligation, full information about your new VACATION RAIN INSURANCE.

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THE
LOCAL
AGENT

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multiple line operation

An outstanding development of recent times in the insurance business is the spread and growth of multiple line underwriting through integration of Fire and Casualty operations. Economy, efficiency and the strengthening of the agent's selling position in today's stern, competitive market are compelling reasons for this.

Being in a position to handle all of a client's insurance, Fire and Casualty, in one group of companies makes strong appeal in simplicity and convenience and broadens the agent's sales potential without substantially increasing his sales expense. This is based on the theory that an agent's best prospects for additional sales usually are the clients he has on his books.

The Fire and Casualty companies of the Commercial Union—Ocean Group form an ideal combination wherein the agent can obtain the advantages of co-ordinated underwriting. Long experience and keen understanding of Fire and Casualty insurance are valuable assets of our Management and Underwriting Departments.

You will find it profitable to represent the companies of the Commercial Union—Ocean Group whose "Endorsement of the Local Agent by Acts and Services" includes provision of up-to-date progressive multiple line facilities.

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Assurance Co. Ltd.
The Ocean Accident &
Guarantees Corp. Ltd.
American Central
Insurance Company

The British General
Insurance Co. Ltd.
The California Insurance
Company
Columbia Casualty
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The Commercial Union
Fire Insurance Co.
The Palatine Insurance
Company Ltd.
Union Assurance Society
Limited

COMMERCIAL UNION — OCEAN GROUP



HEAD OFFICE • ONE PARK AVENUE • NEW YORK
ATLANTA CHICAGO SAN FRANCISCO

Conn. Agents' School to Highlight Agency Management, Promotion

Instruction in the three-day summer insurance school sponsored by Connecticut Assn. of Insurance Agents at Wesleyan University, Middletown, will be focused on agency management and promotion.

The first day, June 13, will offer talks by Henry Istan, New Haven attorney, on contracts and agency organization and legal problems of collections; Robert E. Brown Jr., advertising director of Aetna Casualty, on agency advertising media, and L. Ray Ringer, training school director of Aetna Fire, on mercantile block policies. The three instructors will conduct an evening round table discussion on the day's subjects.

Richard M. Layton, vice-president of *Rough Notes*, on June 14 will speak on job analysis, office management and work simplification and will join Thomas McKernan, educational director of National Assn. of Insurance Agents, in an evening round table discussion.

Mr. McKernan will instruct closing day classes on agency agreements, valuation of an agency and public relations.

Midwestern Hail Adjusters Name Evans Chairman

DES MOINES—Dale Evans of Farmers Mutual Hail of Missouri has been elected chairman of Midwestern Hail Adjusters Assn. to succeed Fred W. Benson of the same company. Robert Buchan, also of Farmers Mutual Hail, was named vice-chairman.

Approximately 250 crop-hail adjusters from 15 midwest states attended the meeting here, at which Dr. O. T. Bonnett of the University of Illinois gave a lecture on corn and how it is effected by hail at different stages of its growth, and Dr. C. R. Weber of Iowa State College discussed the possible recovery of soya bean plants.

N. Y. Chamber Elects

Arthur F. Lafrentz, chairman of American Surety, has been elected to the insurance committee of New York Chamber of Commerce. Committee men include Lester D. Egbert, president of Brown, Crosby & Co., brokers, D. Farley Cox Jr., chairman of Appleton & Cox, and Carl E. McDowell, executive vice-president of New York Board of (Marine) Underwriters.

Ore. Underwriters to Hold Seminar on Counseling, Salesmanship June 27-30

The midyear seminar of Institute of Oregon Underwriters will be held at the University of Oregon, June 27-30. Subject of the seminar will be "Insurance Counseling and Salesmanship."

David C. Warwick, managing director of Oregon Assn. of Insurance Agents' seminar program, has announced that the staff will include Mark R. Green of the University of Oregon; Robert J. Deardorf of Phoenix of Hartford, and B. I. Claska, Eugene Ore., local agent.

Serving on Mr. Deardorf's staff are David R. Goodell, Aetna Fire; Crosby Owens, North British; Gerald C. Ratcliff, London Assurance, and Robert A. Wagner, Portland local agent.

Attendance will be limited to 100 and company personnel will be limited to 30% of the total.

Philadelphia Group Elects Petschelt

Insurance Accountants Assn. of Philadelphia has elected Paul H. Petschelt of Phoenix of London group president. Others elected were J. D. Ross Hunter of Metropolitan Casualty, vice-president; John D. Blaiss of Standard Accident, secretary-treasurer; and W. J. MacDonald of Century Indemnity, Henry M. Black of New Amsterdam Casualty, Alfred M. McLennan of American, George Starzmann of Fidelity & Casualty, Malcolm F. Gray of Hartford Accident, Arthur J. McGinnis of Royal Indemnity and Mr. Hunter, directors.

Aetna Casualty Film Wins Another Award

The industrial safety film of Aetna Casualty, *One to a Customer*, has received an award of merit from the film council of greater Columbus, O., at the Columbus film festival. This is the film's second award. It was also judged the best industrial safety film of the year at the Kentuckiana film festival.

The film describes the array of personal protective equipment developed for American workers.

Jack Babbitt, senior underwriter of the Tacoma branch office of United Pacific, has joined Forrester, Inc., as insurance department manager. Mr. Babbitt had been with United Pacific eight years.

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Program Ready for IAC Annual Meeting

Insurance Advertising Conference is planning a program for both company officials and local agents in its annual meeting at Skytop, Pa., June 10-12.

At the opening work session Amos Redding, secretary of Aetna Casualty, will speak on the education of insurance agents. "What Will Happen to Tomorrow's Advertising Manager?" will be discussed by Merle Kingman, managing editor of *Industrial Marketing*, national sales and advertising publication.

Donald M. Hobart, senior vice-president and director of research of Curtis Publishing Co., will speak on insurance product study, market anal-

ysis, planning and directing of sales activities.

A feature of the meeting will be the awarding of the IAC "Oscar" for best use of advertising. A new feature of this year's meeting will be a competition in which 1955 advertising material of companies represented in the conference's membership will vie with each other. Each IAC member has been asked to submit the best example of his company's advertising material in each of three categories, direct mail, business journal ads, and consumer ads. Judging will be by ballot of all

registrants for the meeting, including the prize-winning agents and the speakers, who are guests of the conference.

A golf tournament June 11 and election of new officers June 12 will round out the program.

Aetna Casualty Holds Agent Rallies in Md., W. Va.

The Wheeling, W. Va., office of Aetna Casualty has completed a series of regional meetings for agents in West Virginia, Ohio, Kentucky and Mary-

land. Under the direction of Manager H. E. Craddock, programs of current insurance interest were given at Cumberland, Md., and Wheeling, Huntington and Charleston, W. Va.

The Plymouth, N. H., local agency of Tracy Williams has been purchased by Edgar N. Josephson, who has been special agent of Phoenix of London group in New Hampshire. Mr. Williams is moving to Arizona.

Christiana General has been licensed to write multiple lines in California.



The new president of Louisiana Assn. of Insurance Agents, Harold A. Mouk of Monroe (center) is congratulated by the retiring president, E. A. Veillon of Eunice, (left) while I. T. Hart of Lake Charles, new vice-president, looks on. The election took place at the annual meeting of the association at Edgewater Park, Miss. Mr. Mouk is vice-president of McKenzie & Mouk. The officers were installed by Commissioner Martin, who was also the principal speaker at the convention banquet.

Service Guide

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Casualty Mutuals Set Management Meeting

Advancing the principles, skills and tools of effective management will provide the program framework of the management conference of Conference of Mutual Casualty Companies at the Dell View hotel, Lake Delton, Wis., June 3-6.

Bowman Doss, vice-president of Nationwide Mutual, will moderate Monday's sessions on "Setting the Company Direction" and "Company Objectives in the Human Asset Area."

F. Keen Young, vice-president of Federated Mutual Implement & Hardware, will moderate Tuesday's program on problem solving. Speakers include T. A. Duckworth, personnel director of Employers Mutuals of Wausau, on "Oral and Written Communications" and Arthur A. Alderfer, president of Harleysville Mutual Casualty, on "Management Brainstorming for Ideas."

Wednesday's program will be moderated by Carl M. Russell, president of Meridian Mutual. Chester M. Kellogg, vice-president of Best & Co., will discuss "The Present Insurance Outlook," and Dr. Floyd Mann of Michigan university, will describe "The Selection, Treatment and Adjustments Required in Handling Management Personnel."

Social and recreational activities have been scheduled for afternoons and evenings.

Me. Assn. Has Three Regional Meetings

Maine Assn. of Insurance agents held three regional meetings on workmen's compensation, mercantile block policies and agency systems and time element forms at Presque Isle, Bangor and Portland.

Royal H. Frost of Presque Isle was chairman of the meeting there. Edward R. Ladd of Rockland, president of the Maine association, spoke. B. Morton Havey, executive director of Associated Industries of Maine, discussed WC clinics and Ernest A. Ahnberg, secretary of Boston, spoke on mercantile block. Oscar Beling, agency superintendent of Royal-Liverpool group, talked on agency systems.

A panel, composed of Nelson P. Gamage of Great American, Paul E. Goode of Boston, Frank J. Mason of New York Underwriters, and William K. Ottman of L&L&G., discussed time element forms.

At Bangor, Leon F. Higgins III was local chairman. A similar program as at Presque Isle was held with all the speakers participating except that Charles R. Hagan, manager of Oxford Paper Co., was the speaker on WC clinics. At Portland Robert S. Winslow was local chairman and Dr. Frank S. Barden, medical director of Saco Lowell Shope, discussed WC clinics.

Johnson & Higgins, international insurance brokers, have elected Edward F. Feuge, Carlton Goodney and Richard T. Henshaw Jr. vice-presidents.

Report Shows Bank Crimes on Decline

Crimes against banks are decreasing, according to a semi-annual report by Thomas F. Glavey of Chase Manhattan bank, chairman of insurance and protective committee of American Bankers Assn.

Mr. Glavey reported that during the six months ending Feb. 29 there was a total of 95 hold-ups and burglaries compared with 153 for the same period in 1954-1955. Losses dropped from \$1,010,000 to \$817,500. A total of 59 burglaries and hold-ups were unsuccessful during the latest period. Bankers are credited with foiling 10 more bandit attacks.

The report showed a reduction from 84 to 58 in the number of bank dishonesty losses of \$10,000 or more and money loss dropped from \$5.8 million to \$3.9 million. A total of \$1.3 million was excess above insurance. As in previous years, practically all of the defalcation losses which exceeded the amount of insurance occurred in banks with deposits of less than \$7.5 million.

Mr. Glavey credited the FBI's bank robbery conferences staged last year and articles published in the *Protective Bulletin* as playing important parts in the reduction of bank crimes.

He urged banks to carry sufficient blanket bond coverage and to have the bonds converted from a loss sustained to a discovery basis.

GAB Makes Branch Office Shifts in Miss., Tenn.

General Adjustment Bureau has promoted M. C. Zachry from senior adjuster at Gulfport, Miss., to branch manager at Greenwood, Miss., succeeding Lacy G. Newman who has resigned to enter a local agency. The bureau has also advanced Lucien A. Masie from adjuster-in-charge at Cookeville, Tenn., to manager there.

Mr. Zachry started with GAB in 1951 at Meridian, Miss., and subsequently transferred to Danville, Va., and Gulfport.

The Cookville office previously was under the supervision of Nashville. It now becomes an independent branch.

Wayne Joins American Agency Co. of Tulsa

R. W. Wayne has been named assistant general agent and manager of the casualty department of the American Agency Co. general agency of Tulsa.

Before joining American, Mr. Wayne was casualty manager at Dallas for Maryland Casualty and from 1947 to 1954 was an underwriter at Tulsa and Dallas for Aetna Casualty.

New officers of Insurance Women of Providence are Miss Barbara Miller president, Mrs. Jean I. Cooke vice-president, Miss Joan Wood secretary, and Miss Hilda Hurst treasurer. John F. Kirby of Providence, president of Rhode Island Assn. of Insurance Agents, and George C. Hughes of Providence, executive secretary of that association, were guests at the annual meeting.

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Work, Objectives of Inter-Regional Told by Beckwith

The reasons back of the founding of Inter-Regional Insurance Conference and the procedure employed by it in carrying out its objectives were explained by R. M. Beckwith, manager of the conference, at a meeting of Conference of Special Risks Underwriters in New York City.

Inter-Regional is representative of, and its recommendations reflect the views of, substantially the entire stock fire business.

The primary function of the organization is to provide a coordinating medium of the thinking and the practices of several regional bodies and rating organizations throughout the country, he said. It is an advisory organization designed to function within the fire and allied lines field.

Among the matters most recently considered by Inter-Regional, which have culminated in recommendations to regional bodies and rating organizations nationally, are the mercantile block plan, filings for which have been approved in a majority of states; the development of the dwelling building and contents broad form, the dwelling building special form; certain national revisions in the extended coverage endorsement; and revisions of forms involving time element contracts.

Also, revisions in the basic dwelling and contents form to convert the optional extensions of coverage to coverage representing additional amounts of insurance; a liberalization of the off-premises contents cover contained in the dwelling forms; a recommendation that dwelling contents be covered at any dwelling location within the state of origin to which insured may be moving; the recommendation that an earthquake endorsement be adopted, designed for attachment to policies covering dwelling risks; and a recommendation that stamping offices return directly to the agents for any necessary correction daily reports where the amount of insurance covered is less than \$20,000.

Frequently, Inter-Regional finds it desirable to make national surveys of underwriting trends about contracts recommended by it, and, recently such a survey was completed with respect to the proportionate sale of certain types of dwelling coverages involving fire only, fire and EC, the dwelling building and contents broad form and the dwelling building special form, etc.

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In carrying on this work, Mr. Beckwith said, Inter-Regional is committed to a policy of complete support of the established regional organizations. It does, however, deal directly with fire rating bureaus when they are not located within the territory of any of the major regional bodies.

In accomplishing its ultimate objective of practical coordination of the work of the fire rating bureaus and regional bodies nationally, the organization offers the maximum of service to these organizations so that its contacts with the regional groups and rat-

ing bureaus will grow and a proper understanding may be developed with respect to national recommendations emanating from Inter-Regional.

The organization is an off-shoot of Insurance Executives Assn., which was dissolved in 1953. At that time the chief executives of member companies of that association, joining with executives of companies not then members of IEA, felt that it would be unwise to discard the coordinating machinery that had been developed over the years. Inter-Regional Insurance therefore was formed.

New England Fire Engineers Elect

New England chapter of Society of Fire Protection Engineers has elected Alan Stevens of Liberty Mutual, president; Ernest Blair of Stone & Webster agency of Boston and A. L. Brown of the Factory Mutuals, vice-presidents, and Vincent Bamford of Liberty Mutual, secretary-treasurer.

Catholic Insurance Guild of New York City will hold a dinner dance May 12 at Grand Street Boys club at which an award will be given to the person selected as the outstanding Catholic insurance man of 1955.



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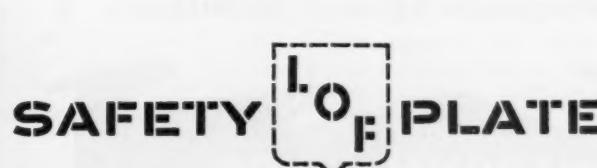
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Citizens Casualty Opens Redesigned N. Y. Home Office

Citizens Casualty gave the public its first official glimpse of a uniquely reconstructed new home office at 33 Maiden Lane, New York. Leased from Falstaff Realty Co., which represents the Elias Cohen estate, the building has been redesigned from a vacant two-floor structure to a modernistic five-floor office, completely air-conditioned and comfortably arranged for more than 100 employes. The company formerly was at 116 John street.

Sylvan Lawrence and Seymour Cohen, real estate brokers, together with Jack Hyman, president, and Harold Davis, general counsel of the company, worked out the details of reconstruction. The old building had two floors, each with 40 foot ceilings. In the reconstruction the interior was gutted, and five floors were provided with 10 foot ceilings. Retail stores occupy parts of the ground floor, the accounting, underwriting and claims departments are on the next three floors and the executive suites fill the top floor. Total cost of the renovation was about \$350,000.

Among the more than 300 persons attending the afternoon reception were Carl Harber, president of Atlantic National; W. B. Wise and Lester A. Menegay, vice-presidents of American Re; Wilfred Strickland, managing director of W. A. Strickland & Co., London Lloyds brokers; Percy A. Goodale Jr. of Direct Service Corp.; William E. Sliney, secretary of American Universal; Henry E. Alexander, special attorney of station WOR and columnist Walter Winchell; Mark H. Kroll, president of Michigan Surety and Insurance Corp. of America, and B. W. Boas, member of the New York Stock Exchange.

\$3,936,847 Bond for American Employers

American Employers of Employers Liability group has originated a performance bond of \$3,936,847 covering the contract awarded to Chris Larsen Co. of New Orleans for construction of a new state office building. Louisiana building authority let the contract.

The Rochester, N. H., agency of Charles W. Varney & Co. has observed its 50th anniversary. The late Charles W. Varney, father of the present owners, Charles W. Varney Jr. and Robert G. Varney, bought the agency in 1906 from Frank P. Wentworth who established the business in 1888 under his own name.

Cal. AR Applications Up; New Members Elected at Annual Meeting

Thomas G. Aston Jr., manager of California assigned risk plan, reported at the annual meeting of the plan that 46,979 applications were processed during 1955, which was approximately the same as 1954. Renewals were 33,889, an increase of 4% over 1954, and total assignments were 73,648, a new high and an increase of 1% over the previous year.

Of the new risks received 42% were class 2; 14% over-age risks; 14% service men; 26% were in the plan due to motor vehicle violations of which 14% were certificated; 13% due to experience; 3% for physical impairment, and 14% could not be classified.

Roy W. Smith, acting chairman of the governing committee, said the committee reviewed 184 cases. They sustained the insurer's request to be relieved of a risk in 62 cases, denied requests in 73 and placed 15 insured on probation. There were seven appeals by insured from the decision of the manager or the committee and two appeals to the insurance commissioner, one of which was withdrawn and one in which the commissioner upheld the previous finding of the committee.

Governing committee members were elected as follows, the first named being the member and the second the alternate: National Bureau of Casualty Underwriters—Roy W. Smith, Standard Accident; Wm. J. McKinnon, Great American Indemnity; all other stock insurers—William J. Reid, Henry J. Greenwald, both of Zurich; Mutual Insurance Advisory Assn.—M. H. Schierl, Hardware Mutual Casualty; Eynar O. Sjoholm, Lumbermens Mutual Casualty; All other mutual insurers—N. P. Goelzer, and Charles O. Cox, both State Farm Mutual; reciprocal or inter-insurance exchanges—Lloyd G. Anderson, Farmers Insurance Exchange; H. C. Carniglia, California Casualty Indemnity Exchange.

M. H. Schierl was chosen chairman of the governing committee at its organization meeting following the election.

Home Mutual Ups Ottem

Earl R. Ottem has been appointed field supervisor for the Milwaukee territory for Home Mutual. He will be responsible for supervision of sales in Milwaukee, Washington, Ozaukee, Racine and Walworth counties.

Mr. Ottem joined Home Mutual in 1950 as a casualty underwriter, was transferred to field work in northwestern Wisconsin in 1952 and has been in northeastern Wisconsin since 1955.

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Ala. Agents Support PR, Qualification Law; Honor Gandy at Annual

Resolutions adopted by Alabama Assn. of Insurance Agents at the close of the annual meeting included support of an agency licensing and qualification law, with a written examination; support of an advertising and public relations program for independent agents and opposition to the bill before the Senate which would permit federal housing authority officials to establish insurance funds for various properties under their jurisdiction.

Another resolution called upon association officers to make known the personnel of the nominating committee well in advance of the annual meeting. J. B. Chapman, Birmingham, was chairman of the resolutions committee.

W. E. Sanders, Fayette agent, substituted for Fuller Kimbrell, Alabama state director of finance who was scheduled to appear on Tuesday afternoon, but who was called away from the city. Mr. Sanders said that Mr. Kimbrell asked him to say particularly that he would completely support the agents qualification bill at the next legislative session.

Charles L. Gandy, Birmingham, past president of the association and president of the national association in 1932, was awarded the "insuror of the year" trophy at the annual dinner. The award, donated by Cherokee, was given Mr. Gandy in recognition of his outstanding service over the years and particularly because the directors of the Alabama association felt the 60th anniversary of the organization required recognition of cumulative service. C. A. Wilson, Tuscaloosa, was given the award for outstanding insurance salesmanship, donated for the first time by Royal-Liverpool group.

Georgia Agents Staging Unusual Risk Contest

Georgia Assn. of Insurance Agents is conducting its annual Arnall unusual risk award competition. The winner will receive a plaque donated by Hamilton Arnall of Newnan, past-president of the association. Agents may submit entries to the association or to any field man.

One entry thus far includes a policy covering all risks on a skeleton. A loss was sustained and paid when a fibula bone from the skeleton was stolen.

Casualty Group Prints N. Y. Compulsory Digest

Assn. of Casualty & Surety Companies has included a digest of the

new compulsory auto insurance law in the 1956 New York state pamphlet of *Automobile Liability Security Laws of United States and Canada*. This is available from the association at 60 John street, New York. The New York pamphlet is one of 59 in the looseleaf booklet.

The Milford, N. H., Rotch Insurance Agency, has been purchased by William Ferguson, who has been operating it since the death of his father-in-law, the former owner, Arthur B. Rotch.

Miss. Rating Bureau Elects R. S. Greer

R. S. Greer was elected president of Mississippi State Rating Bureau at the annual meeting in Jackson. C. L. Ward, Aetna Casualty, was named vice-president and F. J. Carroll was re-named manager.

Members of the executive committee are Roy Coursey, Fireman's Fund; Jack Gallagher, general agent; Jeff Davis, America Fore; J. L. Ross, St. Paul F.&M.; Edgar Rushing, Hartford

Fire; W. S. Sampson, U.S.F.&G., and W. G. Sours Jr., Boston.

N. Y. Reins Club Outing June 16

The Reins Club of New York, composed of men who place facultative re-insurance, will hold its annual outing June 15 at Union City, N. J. J. J. Ratchford of Royal-Liverpool is chairman of the outing.

The Ralph Voigt agency of Merrill, Wis., has purchased the Fred Heinemann agency from Mrs. Heinemann, who will continue to serve the Heinemann accounts as a member of the Voigt agency.



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Thieves, take care! There's no way to fool the Kidde Ultrasonic Burglar Alarm System... its "silent sound" protection is *unbeatable*!

Using sound waves too high to be heard by the human ear, the Kidde system saturates the entire protected area with a network of "silent sound" waves that penetrate every corner, *every cubic inch* of space. Any attempt to enter — through walls, doors, windows, or floors — disturbs the keen wave pattern, and instantly triggers an alarm! Even if a thief is "locked in," he doesn't stand a chance because, once the system is turned on, his *first move* betrays him!

Equipped with tamper-proof devices, the Kidde system thwarts any attempt of sabotage. It cannot be bypassed or put out of commission without giving an alarm, and any power failure also sets off the alarm.

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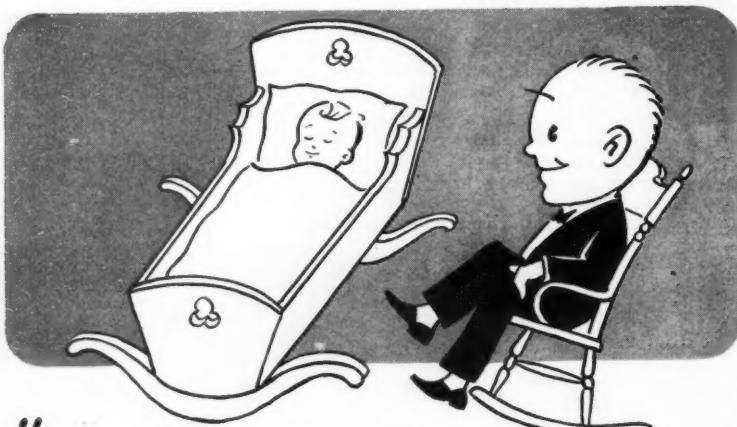
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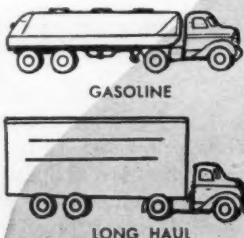
Every claim, every application, every problem receives prompt and courteous handling at Holyoke. We've found it the sound and pleasant way to do business; and we've found it builds business too, from good will that grows and grows and grows.

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of the document to the special committee.

The agents can't blame the car buyer, he went on. The agents have not cooperated with the banks that use the bank-agent plan. He urged that agents talk up the situation at every opportunity they get, some of the listeners may be buying a car soon.

Theodore R. Tuke of Rochester wondered if agents could not advertise what automobile buyers ought to watch out for. Charles Shoen of Mt. Vernon asked how the auto dealer can collect a commission on auto PHD insurance without being licensed as an agent. Mr. Walsh said that this is wrong, but the dealer and finance company call the commission a finder's fee and it is included as a part of the interest and other charges. They don't say it is a commission. Apparently unless the automobile dealer can be shown to be getting a commission, nothing can be done about it. This is a loophole in the law, Mr. Walsh said.

There is a more serious loophole in the law, however, Mr. Walsh continued. Pontiac dealers can name a local agent as agent, form a corporation, divert to the agency all of its automobile insurance, and at the end of the year declare a dividend to its Pontiac dealer stockholders.

The committee did not want to tackle correction of the banking and insurance law in order to close the loopholes in a year when agents were fighting against compulsory, Mr. Walsh said. But agents should certainly move in strongly at the next legislature to close the loopholes.

Mr. Kramer said that the agents have met with representatives of mutual savings banks to go over problems of insurance coverage that the banks have on the mortgage collateral. He said the agents were amazed at the confusion among the banks created by the insurance business with new forms. Many agents were getting insurance back from lending institutions with the word that the coverage would not qualify.

To reduce confusion, bank representatives indicated they would like to have a uniform form for policy changes, better policy arrangements, a standard system for paying premiums into escrow accounts, the naming of the mortgagor on the draft, etc.

The savings bank business has grown very large and is countrywide, Mr. Kramer pointed out. He said that proper liaison will help the agent and the banks.

His association found that several service agents of the savings banks and the commercial banks operating for owner mutual savings banks were using the expiration records of the savings banks to solicit mortgagor's insurance account. In one case the mortgage officer of a savings bank was handling the insurance of renewals. This was stopped by the bank when it discovered what he was doing.

Savings banks, when this practice

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was pointed out to them, have taken steps to stamp out the practice.

Today the agents have the greatest opportunity for public relations in the history of the business in connection with compulsory automobile, Mr. Stott said. He said the business has known for years that it was just a question of time when something like compulsory would develop. Nine out of 10 members of the public favor compulsory.

The law is not a vicious one, though it has some glaring deficiencies, he said. There are going to be some risks that the companies may not want to take, and if this is too much of a matter, the business could be in trouble and a state fund might develop. He noted that the agents and agency companies missed the boat on workmen's compensation in New York, which led to the creation of the state fund with millions of dollars of business. Today the state is out soliciting WC.

He said that companies continue to advertise the services of the local agent. In a few months one large agency company will begin advertising nationally on TV.

Agents are not using what is available in meeting competition, he said. Today they need to go out and see people and talk with them. It is time to get going if the agents are going to save the business.

Mr. Eifert said that agent and companies individually are doing a lot of good advertising but that this should be coordinated.

Mr. Potter suggested the use of a clause in insurance policies which will practically do away with collection problems, a 30-day automatic cancellation clause. This would render the policy void until and when the premium was paid, but the company would not

be liable for more than 30 days. Not only is this needed on fire policies but on casualty policies as well, particularly with compulsory automobile coming.

The skit of Mr. Young and Mr. Gere brought out that in an economy auto plan, under which rates are reduced by 15% and the commission is reduced by 15%, the agent would earn a \$12.75 commission on an \$85 premium compared with a \$25 commission on a \$100 premium. He would take a 49% reduction. However, the company, which would get \$75 at the full rate, would get \$72, only \$3 less, under such a plan, or a reduction in its take of less than 1%.

Robert Hanafin of Endicott said agents are losing a lot of business and that the companies will have to give them competitive rates. He said on one automobile risk recently his rate and that of Allstate was \$70 different. The rate has to be reduced and agents have to take less commission, he said. However, he said the sharing in the reduction should be equal between agent and company.

Some lending institutions will not take the homeowners policy or do not want to, Einar Johnson of Staten Island said. Apparently the most troublesome point is that banks are afraid that if they overlook the renewal of a policy like homeowners and there is a big burglary loss, the bank might be liable. He suggested the use of an endorsement to be signed by the mortgagor releasing the bank from liability of this sort.

Surety Underwriters Assn. of Chicago will hold its annual golf outing June 5 at the Glendale country club, Bloomingdale, Ill.

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2 You must know that he's a man who'll come to your aid when you need him—even at the scene of the accident. And that his company is represented by men all over the country—who also stand ready to help. He must also be a man who'll see to it that your claims are attended to promptly.



3 You must know that the policy he sells you has been written by a company with the experience and the skill to *devise* insurance that will suit your needs. In over-all coverage and in specific features, the policy must be up to date as of *now*, and must be kept up to date as your needs change.

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Witches' Brew: Add Compulsory to Competition and Increased Losses

By KENNETH O. FORCE

The automobile insurance business, obviously destined to remain the biggest line in fire and casualty at \$4.3 billion, appears to be well into a new era of violence.

Competition is not diminishing and is not likely to. Compulsory, long a subject of discussion, now is subject for action, and will be a dominant element in any consideration of automobile insurance in the next ten years. It is likely to be adopted in other states as time goes on.

In the meantime, beginning in 1955, the bodily injury and property damage loss ratio began to rise and then to surge. Competent underwriters see nothing in sight to reverse this up-thrust.

These present facts, with their large portent for the future, overshadow several other interesting developments, such as the substantial revision in the automobile policy by National Bureau of Casualty Underwriters, and the pilot market study sponsored by National Bureau—but no longer by National Assn. of Insurance Agents.

COMPULSORY

It would be a mistake to assume that adoption of compulsory in New York will not materially influence the conduct of the automobile insurance business in the United States. For almost 30 years, insurers, their agents, and others, were able to confine compulsory to Massachusetts, where, as concerns the business in the remainder of the country, it has been endured, at least in procedural detail, pretty much in isolation, but now only time is in question. In several states compulsory was only narrowly averted during this year's legislative sessions.

This raises the question, serious for both companies and agents, but especially tough for those agents who still believe compulsory can be put off permanently, of whether it will be better to help pass (or not resist) a good bill, or fight and get a bad bill foisted on them.

Some company men and agents still believe, more or less strongly, that some substitute for compulsory can be developed. This is, of course, the idea behind the strong recommendation that uninsured motorist coverage be adopted nationally and even made a part of the standard provisions policy. There is support also for the unsatisfied claim and judgment fund combined with financial responsibility as a better answer to the problem of the uninsured motorist than compulsory. There is still a lot of interest in the New Jersey

experiment. In its first year in that state the UJ and claim fund proved surprising. It did not develop the claims and liability predicted for it. Whether it will prove to be satisfactory to the public and legislators remains to be seen, but its first year was a marked success in several respects.

However, if the business continues to fight compulsory to the last ditch and if compulsory then is adopted, the law is apt to be one which will give the business fits procedurally. Should the agents move in and get a piece of legislation that is reasonably endurable? is the way one non-New York agent put it. He believes that his state is sure to pass some form of compulsory at its next legislative session.

In other words, does the business have any choice at this point except the option of selecting the kind of compulsory?

It should be possible to keep away from the plain compulsory name. Other

names are compulsory indemnification, equal responsibility, the misdemeanor legislation, etc. They are all compulsory. But the important thing is that they take into account the processing and other peculiarities of the insurance business.

Even with the 30 year lessons of Massachusetts' compulsory, the New York legislature produced a bill which no one regards as very good legislation. It will provide agents and companies with some procedural difficulties of a very serious kind, in conjunction with cancellation and especially with non-renewals of all kinds. Perhaps some of these can be worked out before the law goes into effect since the insurance department and the motor vehicle bureau are to promulgate rules and regulations. But this is not going to cure all the difficulties.

Would the uninsured motorist endorsement, combined with stringent financial responsibility laws, answer

the problem of the uninsured motorist—to the satisfaction of the public and legislators? The endorsement did not provide that kind of answer in New York. But there, and this may be the case in some other areas, the pressure for compulsory was so strong, so long standing, that it could not be dissipated by the coverage. UM, while giving evidence that it was going to become helpful in meeting this problem, had not had time to prove its value so clearly that the old pressures for compulsory were reduced.

So it is an open question whether UM would derail compulsory. If, universally written in a state by all auto insurers, it had two or three years of experience to demonstrate by fact and figure that it was the answer, perhaps it would act as a deterrent and even a permanent stopper to the arguments for compulsory. The business may not get a chance to demonstrate the worth of UM as a gladiator designed to beat compulsory in the legislative arena.

After compulsory was adopted in New York, the query arose—would the companies abandon UM in that state? This was a natural question in view of the marked disagreement among insurers as to its merits and demerits before it was originally put on the market.

There are some indications that not only is the endorsement not going to be abandoned in New York, but that other areas will be studied carefully with the possibility of extending it to additional jurisdictions.

However, if this is done, apparently it will be done because it is a kind of protection the public needs and that insurance companies write, whether there is compulsory or not, or whether there is a threat of compulsory or not. In other words, it may be extended as a coverage which the public ought to be able to purchase from insurers.

This seems to indicate that at least some insurers are satisfied that experience under the endorsement is going to be satisfactory, that they can feasibly write it and live under it, and that it can be sold at a nominal premium to many motorists. It certainly seems to be a coverage that, if offered by any substantial part of the business, would need to be made available by all insurers for competitive purposes. The promotion of UM coverage by several insurers in other territories indicates that there is a demand for this kind of insurance.

The other question in connection with UM is whether it will, in conjunction with compulsory, provide protection sufficiently broad to make unnecessary a fund from which to pay

20 Leading Auto Insurers of 1955 Listed

1955 Rank	1954 Rank	1955			1954			1953			
		Earned Prems.	\$	Earned Prems.	\$	Earned Prems.	\$	Earned Prems.	\$	Earned Prems.	\$
1. 1. State Farm Mutual Auto .	225,754,503	201,391,636	175,186,182	2. 2. Allstate .	208,205,743	171,945,640	131,794,816	3. 3. General Exchange .	139,142,057	135,285,941	117,074,727
4. 4. Nationwide Mutual .	112,308,574	111,893,477	101,140,861	5. 5. Travelers Indemnity .	89,656,785	88,802,479	82,779,874	6. 6. U.S.F.&G. .	87,534,245	85,478,709	82,172,095
7. 8. Hartford Accident .	85,417,982	84,714,481	83,009,750	8. 7. Farmers Exchange .	85,227,491	84,912,690	82,202,122	9. 9. Travelers .	83,746,552	80,781,470	73,694,913
10. 11. Aetna Casualty .	70,500,029	67,231,447	62,683,246	11. 10. Liberty Mutual .	68,952,462	69,046,014	66,724,374	12. 12. Lumbermens Mutual Cas. .	65,143,834	65,937,295	66,487,498
13. 13. Fidelity & Casualty .	58,037,650	60,569,948	58,511,622	14. 14. Service Fire .	43,386,400	44,647,304	42,239,168	15. 15. Maryland Casualty .	42,776,790	39,117,046	34,549,417
16. — Continental Casualty .	39,766,784	31,536,891	27,895,356	17. 16. General Accident .	38,789,286	38,357,233	35,492,015	18. 17. American Auto .	37,104,016	36,173,432	34,931,699
19. 20. Ohio Casualty .	35,506,267	35,235,162	33,994,053	20. — Motors .	35,457,639	33,100,818	28,225,651				

Automobile insurance premiums in the United States written by all classes of companies totaled \$4,381,859,016 in 1955, an increase of \$200 million over 1954. Of the total, \$1,652,415,089 was written by the 20 leading individual companies, two of which accounted for more than \$200 million each, with two more doing better than \$100 million. The 20 leaders wrote 37.7% of all automobile business in the country. They had an aggregate gain in premiums of \$80,050,163, or 40% of the total increase for all companies.

Of the \$4,381,000,000 grand total auto premiums last year, \$1,718,000,000 came from BI, \$894,000,000 from PDL, and \$1,767,000,000 from physical damage.

As was the case in 1954, the top two companies, State Farm and Allstate, accounted for a big part of the gain and a very significant total of the premi-

(CONTINUED ON PAGE 46)

FIVE YEAR AUTOMOBILE INSURANCE EXPERIENCE EXHIBIT

	1955			1954			1953			1952			1951				
	Earned Premiums	% of Total	Increase in Prems.	Losses Incurred	Loss Ratio	Earned Premiums	% of Total	Loss Ratio	Earned Premiums	% of Total	Loss Ratio	Earned Premiums	% of Total	Loss Ratio			
Stock full cover .	2,445,405,701	55.9	133,105,391	1,292,904,315	52.9	2,236,404,973	53.5	47.4	2,100,653,465	53.6	50.4	1,799,314,785	53.9	55.8	52.3	58.4	
Stock fire .	505,741,159	12.0	4,405,023	268,020,822	47.4	633,970,442	15.2	43.5	601,143,054	15.4	49.9	552,671,230	16.6	53.9	51.5	53.9	
Mutuals .	1,096,130,048	25.0	50,459,967	572,028,010	52.2	1,046,145,268	25.0	46.7	961,744,049	24.6	51.4	767,114,964	23.1	54.2	646,745,467	22.4	53.9
Reciprocals and Lloyds .	274,582,108	6.3	12,622,836	138,678,706	50.3	264,818,155	6.3	46.2	250,763,828	6.4	50.2	214,697,837	6.4	54.6	184,367,271	6.4	55.8
Totals .	4,381,859,016	100.0	200,683,217	2,271,631,853	51.8	4,181,338,778	100.0	47.3	3,914,244,396	100.0	50.7	3,333,799,606	100.0	53.2	2,882,924,300	100.0	55.8

innocent victims of negligent uninsured motorists. If it were a part of the standard policy so that all automobile insured had it, probably it would do a better job in satisfying the demands of legislators and others that someone liquidate the claims of innocent victims of hit-and-run accidents, accidents involving out of state uninsured, accidents caused by drivers of stolen cars or by motorists driving without license and without insurance.

The business generally seems to be apprehensive about "funds." Apparently they have to have the state as active participant, and the fear is that at some time in the future the state's participation in the operation, management and control of the fund will be extended. At least the threat is always present if a fund exists.

• • •

Newspaper editorial reaction to the passage of compulsory in New York was prompt and widespread. It was interesting to see that newspapers which had been expounding the virtues of compulsory for years, promptly recognized the inability of compulsory to do a 100% job by plugging for a fund device to accumulate money to pay those left out in the cold.

The tone of many newspapers was mild. Even proponents expressed their jubilation with moderation. There was little or no crowing or triumphant expression of victory accompanied by criticism of "the insurance lobby." However, the general theme was that now other states undoubtedly will adopt compulsory.

One thread that appeared in some of the editorials gave a few observers in the business unease. This was an indication that the editors have been sold on the weaknesses of compulsory and they believe therefore that some kind of state fund is necessary to solve the problem. Perhaps, one observer commented, the business has sold the editors too well on the idea that compulsory is not the answer. This would, if it were a strong enough public conviction, throw the full weight of opinion on the side of "funds."

In other words, if compulsory is not the answer, what is? How can the business take care of the problem? If the next promotion by legislators and the public is a fund, will it be a fund for payment without fault? If that is the case, compensation would be next.

There was the suggestion that the UM endorsement as an answer to unsatisfied judgments and claims under the compulsory was ruined by introducing it as an alternative to compulsory.

• • •

On the plus side the New York compulsory law contains a specific legislative endorsement of the private competitive system of writing automobile insurance. One fear associated with compulsory always has been that it would bring state made rates or rigid uniformity in rates, coverages and underwriting practices. Probably the way to preserve private enterprise in the business under a competitive system is to make it work. The business seems disposed to do this. If the state compels people to buy automobile insurance and then sets the price, it will take on an obligation to fix commissions.

To the extent that the new business generated by the compulsory law is the least desirable business, it will not be any more desirable now than it was before. However, there is always a tendency to relax underwriting standards during a financial responsibility law drive and I suppose this situation

20 Leading Groups in Auto Premiums

	1955 Prems. \$	1954 Prems. \$	1955 Prems. \$	1954 Prems. \$
1. ALLSTATE				
Allstate	208,205,734	171,945,640	Royal	9,188,061
Allstate Fire	19,458,103	17,040,493	Queen	11,923,439
Total	227,663,837	188,986,133	Newark	4,699,237
2. STATE FARM				
State Farm Mutual Auto	225,754,503	201,391,637	American & Foreign	3,647,168
State Farm Fire & Cas.	225,754,503	201,391,637	British & Foreign	2,314,548
Total	225,754,503	201,391,637	L. & L. & G.	7,995,718
3. TRAVELERS				
Travelers	83,746,552	80,781,470	Star	3,997,858
Travelers Indemnity	89,656,785	88,802,479	Thames & Mersey	1,402,756
Travelers Fire	14,118,459	14,134,359	Virginia F. & M.	1,402,756
Charter Oak Fire			Globe Indemnity	10,871,370
Total	187,521,796	183,718,308	Royal Indemnity	12,694,956
4. GENERAL MOTORS				
General Exchange	139,142,057	135,285,941	Total	70,137,867
Motors	35,457,639	33,100,818	12. ROYAL-LIVERPOOL	
Total	174,599,696	168,386,759	Royal	9,188,061
5. HARTFORD FIRE				
Hartford Fire	33,442,200	35,590,038	Queen	11,923,439
Hartford Accident	85,417,982	84,714,481	Newark	4,699,237
New York Underwriters	811,496	854,690	American & Foreign	3,647,168
Citizens	344,764	366,907	British & Foreign	2,314,548
Northwestern F. & M.	430,956	458,635	L. & L. & G.	7,995,718
Twin City Fire	258,574	275,181	Star	3,997,858
Total	120,705,972	122,259,932	Thames & Mersey	1,402,756
6. NATIONWIDE				
Nationwide Mutual	112,308,574	111,893,477	Virginia F. & M.	1,402,756
Nationwide Mutual Fire	7,103,401	7,005,151	Globe Indemnity	10,871,370
Total	119,411,975	118,898,628	Royal Indemnity	12,694,956
7. FARMERS OF LOS ANGELES				
Fire Exchange			Total	71,330,914
Farmers Exchange	85,227,491	84,912,690	13. LOYALTY	
Truck Exchange	18,455,694	16,418,447	Firemen's	19,243,332
Total	103,683,188	101,331,137	Girard	2,010,496
8. AETNA LIFE AFFILIATED COMPANIES				
Aetna Casualty	70,500,029	67,231,447	National-Ben Franklin	2,010,496
Automobile	24,281,279	24,023,325	Milwaukee	5,457,064
Standard, Conn.	520,368	528,230	Metropolitan Cas.	15,309,269
Iowa Fire	7,427	2,386	Commercial	16,524,045
Total	95,309,103	91,785,388	Total	60,554,702
9. KEMPER COMPANIES				
Lumbermens Mutual Cas.	65,143,834	65,937,295	14. SERVICE COMPANIES	
American Motorists	19,040,367	18,551,807	Service Fire	43,386,400
American Manufacturers	1,597,265	1,788,402	Service Casualty	14,465,764
Amer. Farmers Mutual			Lake Shore Exchange	623,861
Federal Mutual	479,178	469,622	Total	58,476,030
Total	86,260,644	86,747,126	15. NORTH AMERICA	
10. AMERICA FORE				
Continental	13,326,674	14,106,628	Ins. Co. of No. Amer.	15,823,251
Fidelity-Phenix	10,600,972	11,650,677	Indem. of No. Amer.	35,318,676
Niagara	2,776,722	3,225,116	Philadelphia F. & M.	2,706,645
American Eagle	1,503,907	1,751,527	Total	53,848,572
Fidelity & Casualty	58,037,650	60,569,948	16. AMERICAN-ASSOCIATED	
Total	86,245,925	91,303,896	American Auto	37,104,016
11. LIBERTY MUTUAL				
Liberty Mutual	68,952,462	69,046,014	Associated Indem.	337,751
Liberty Mutual Fire	6,257,918	6,371,630	Amer. Auto Fire	14,323,987
Total	75,210,380	75,417,644	Total	51,765,754
12. ROYAL-LIVERPOOL				
13. LOYALTY				
14. SERVICE COMPANIES				
15. NORTH AMERICA				
16. AMERICAN-ASSOCIATED				
17. FIREMAN'S FUND				
18. GENERAL ACCIDENT				
19. GENERAL AMERICA				
20. EMPLOYERS				

will be parallel. The real problem is not with the assigned risk plan but with the type of people who were allowed to keep their driving privileges when they should have been ruled off the highways.

One view is that compulsory will increase business. An observer who, every now and then, deals with uninsured motorists, is constantly amazed at the number of people of substance in New York who have no automobile insurance. This observer also believes that compulsory will improve experience, that there are many drivers who do not insure, such as clerks, farmers and the like, because they don't have accidents, and who will now be made premium payers because of compulsory.

However, the bulk of the estimated

700,000 motor car owners in the state who do not have insurance are admittedly poor people who, if for no other reason, ought not to be driving because of economic reasons.

There is a difference of opinion on claims. One contention is that claims will run along about as they are doing presently. This is, it is said, because most persons in New York are considered to have insurance anyway. Others think claims will jump in size.

Rates certainly are going to be under more pressure, in spite of the declaration by the state of a hands off rating policy. The law will bring in new insurance buyers who are, whether too independent or too poor to buy insurance, highly conscious of price.

The facts of life under compulsory

Auto premiums for all other groups in 1955 and 1954 are given below:

	1955 \$	1954 \$
Continental Cas.	39,766,784	31,536,891
Transportation		
Total	39,766,784	31,536,891
Great Amer. Ind.	20,059,415	19,793,240
Great American	15,505,690	16,071,328
Amer. National	969,104	1,004,457
Detroit F. & M.	969,104	1,004,457
Rochester Amer.	969,104	1,004,457
Mass. F. & M.	969,104	1,004,457
Total	39,441,521	39,882,398
Home	18,860,711	19,416,540
Home Indem.	19,429,412	19,621,621
Total	38,290,123	39,038,161
Hardwe. Mut. Cas.	36,272,047	34,522,273
Hardwe. Dirs. M. Fire	37,687,045	35,918,912
Total		
Ohio Cas.	35,506,267	35,235,401
Ohio Ins.	1,056,838	2,489,023
West American	1,028,310	1,235,385
Total	37,591,415	38,959,899
Am. Fid. & Cas.	27,322,191	22,571,031
Am. Fid. Fire, N.Y.	7,673,782	6,291,571
Interstate Indem.	1,773,371	1,907,429
Total	36,769,344	30,770,031

(CONTINUED ON PAGE 48)

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32,057
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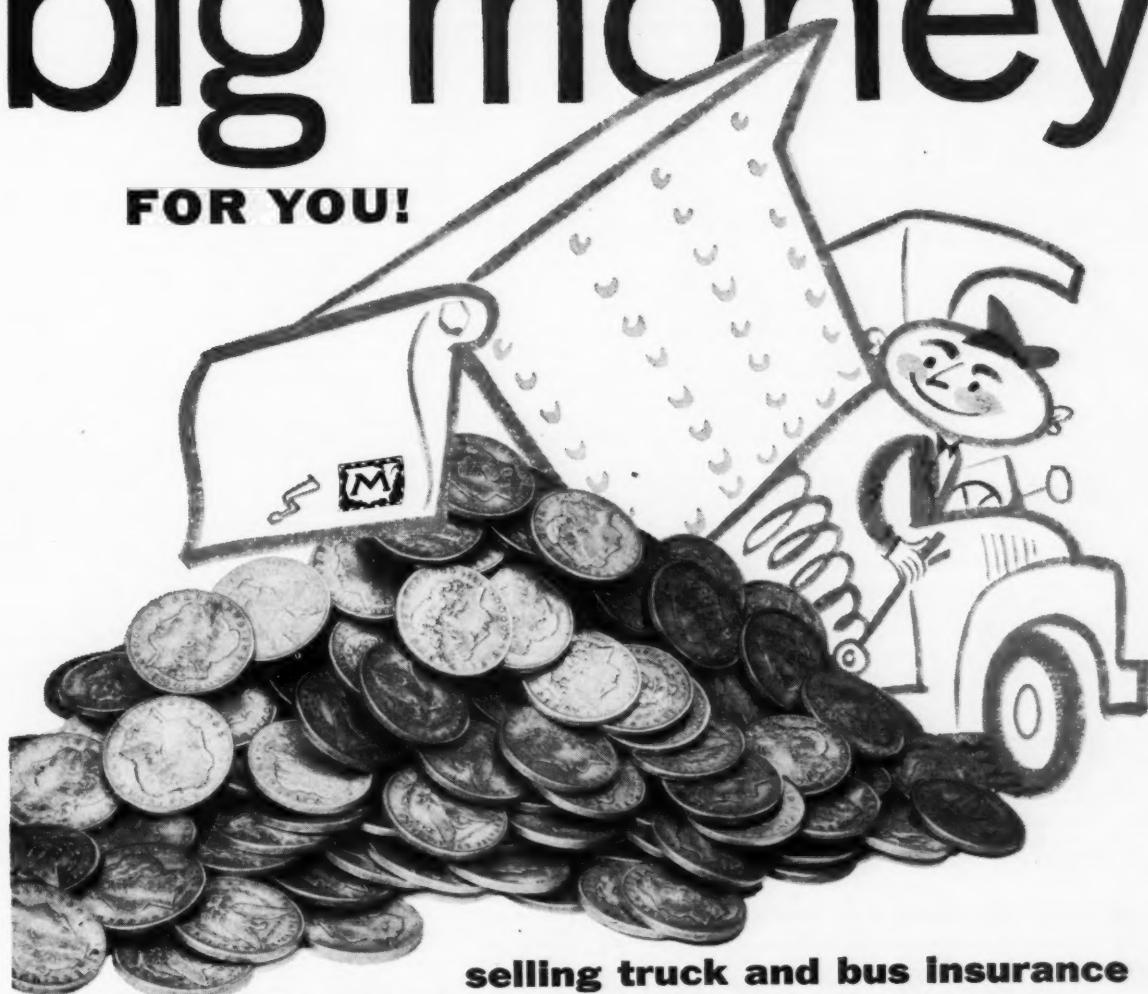
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to eliminate the
accident"

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CITY _____ ZONE _____ STATE _____

Stock Full Cover Insurers Near \$2.5 Billion Mark in Premiums

Led by the \$200 million of Allstate, the earned premiums of stock companies writing full coverage automobile insurance totalled \$2,445,405,701 in 1955, nearly 56% of all the automobile business written in the United States. Insurers writing the full auto line—bodily injury liability, property damage liability and physical damage—continued to increase in number. Last year 36 companies formerly confining themselves to the physical damage auto lines branched out to include liability.

The 1955 premium gain of \$133,105,391 was only \$1.5 million more than the increase of 1954, but the loss ratio moved ahead at a more rapid pace, running 53% on incurred losses of \$1,292,904,315. The 1954 loss ratio was 47.4%, and had represented an improvement of three points as compared with 1953. It is evident that rates will be going up again, especially in view of the worsening experience in the first quarter of this year. With the loss ratio on the liability coverages going up steadily, automobile insurance is not so desirable as it was in 1954, but the companies no longer have as much freedom as they once did in declining risks. The political situation makes it difficult to turn down business whole-

sale, and under adverse circumstances the best that can be done is to live with what comes along and try to get a proper rate for it.

Premiums of the first 10 companies in the stock full cover field totalled \$804,431,837, or just 33% of the \$2.4 billion produced by the nearly 400 companies making up this grouping.

With the exception of Continental Casualty, every one of the companies in the top 10 had a decline in its rate of premium increase, although the additional premiums necessary to produce a significant percentage gain after the base is \$50 million or more is considerable. For example, Allstate, with a premium increase of \$36 million in 1955 showed a percentage gain of 21.2,

while in 1954 its increase was \$40 million and the percentage gain was 30.4. Allstate's progress continues to be phenomenal, and it is the over-shadowing leader in the stock company ranks in the same manner that State Farm is among the mutuals. Allstate took over as the No. 1 stock writer of full coverage automobile insurance in 1951, and in 1953 it became the leader among all stock companies when it passed General Exchange. It is now threatening State Farm for supremacy as the No. 1 writer of automobile insurance. From the standpoint of direct premiums, Allstate took over first position in 1954, but it reinsures a portion of its premiums (\$19 million in 1955) with Allstate Fire.

The second ranking full cover insurer is Travelers Indemnity, which in 1955 restricted its increase to \$850,000, just 1% more than its business in 1954. The next four companies of the 10 leaders, U.S.F.&G., Hartford Accident, Travelers and Aetna Casualty, all retained their positions and all showed modest increases in business.

Fidelity & Casualty, despite a reduction of \$1.5 million in premiums, continues as the seventh company and is nearly \$16 million ahead of Maryland Casualty, which had a 9% increase and is now writing at the rate of \$42.7 million.

The largest percentage increase among the leaders was that of Continental Casualty, which returns to the big 10 after an absence of several years. Continental had a gain of \$8,229,893 and takes over 9th place ahead of General Accident. For the first time in many years American Automobile is not among the leaders of full coverage insurance, although it still is the 18th largest automobile writer in the country.

BI premiums of the stock full cover companies amounted to \$1,161,537,000, PDL premiums were \$596,554,000 and physical damage \$686,419,000.

TEN LEADERS IN STOCK FULL COVER FIELD

	1955 Earned Prem.	1954 Earned Prem.	% of Incr.	1953 Earned Prem.	1952 Earned Prem.	1951 Earned Prem.			
							\$	\$	\$
1. Allstate	208,205,734	171,945,640	21.2	131,794,816	89,231,936	67,568,493			
2. Travelers Indem.	89,656,785	88,802,479	.9	82,779,874	67,854,062	56,355,502			
3. U.S.F.&G.	87,534,245	85,478,790	2.4	82,172,095	72,034,804	44,665,834			
4. Hartford Acc.	85,417,982	84,714,481	.8	83,009,750	73,749,247	63,945,087			
5. Travelers	83,746,552	80,781,470	3.7	73,694,913	59,752,091	47,024,889			
6. Aetna Cas.	70,500,029	67,231,447	4.8	62,683,246	51,041,244	42,505,043			
7. Fidelity & Cas.	58,037,650	60,569,948	-4.2	58,511,622	46,068,413	35,663,996			
8. Maryland Cas.	42,776,790	39,117,046	9.3	34,549,417	30,419,928	30,175,692			
9. Continental Cas.	39,766,784	31,536,891	26.1	27,895,356	23,030,013	24,257,471			
10. General Acc.	38,789,286	38,357,235	1.1	33,492,015	29,967,314	25,680,199			

Experience of STOCK FULL COVER Insurers on 1955 Automobile Writings

Total Earned Prem.	Incr. or Decr. in Prem.	1955			1954			1955			1954		
		BI	PDL	PHD	BI	PDL	PHD	BI	PDL	PHD	BI	PDL	PHD
		Earned Prem.	Incurred Losses	Loss Ratio	Earned Prem.	Earned Prem.	Loss Ratio	Earned Prem.	Earned Prem.	Loss Ratio	Earned Prem.	Earned Prem.	Loss Ratio
\$	\$	%	\$	\$	\$	\$	\$	\$	\$	%	\$	\$	%
Accident & Cas.	5,220,937	2,842,590	54.4	1,534,895	2,441	1,507	1,272	3,686,042	47.7				
Aegis	42,117	17,960	42.5		12	12	16						
Aetna Cas.	70,500,029	38,959,702	55.2	3,268,582	46,954	23,545		67,231,447	49.4				
Aetna Fire	21,266,991	11,065,712	51.8	563,570	8,591	4,258	8,416	20,703,421	50.5				
Agricultural Ind.	169,692	74,684	44.1	22,477	109	60	147,215	40.2					
Agricultural	3,125,447	1,538,645	49.0	-211,467	27	10	3,087	3,336,914	49.5				
All Amer. D. C.	417,101	221,144	52.9	156,581	137	129	150	260,520	37.5				
Alliance, Eng.	1,239,365	607,224	47.4	59,642	400	175	712	1,229,723	45.2				
Allstate	208,205,734	106,812,686	51.0	36,260,094	110,372	51,593	46,239	171,945,640	49.8				
Am. & Foreign	3,647,168	1,982,918	54.6	397,440	1,865	924	857	3,249,728	51.2				
Am. Auto	37,104,016	17,231,632	46.4	930,584	22,515	13,111	1,477	36,173,432	43.7				
Am. Aviation	3,915,703	2,131,358	54.4	229,659	1,830	1,130	954	3,686,044	48.6				
Am. Central	1,066,807	492,503	45.6	2,513		21	1,065	1,084,294	40.5				
Am. Cas.	12,399,727	6,749,296	54.7	727,254	5,797	3,579	3,022	11,672,473	49.0				
Am. Employers	12,362,126	6,189,757	50.3	617,976	6,722	3,624	2,014	11,744,150	42.4				
Am. Fidelity & Cas.	27,322,191	16,551,954	60.4	4,751,160	17,379	7,309	2,633	22,571,031	54.6				
Am. Fidelity Fire	7,673,782	3,953,354	51.5	1,382,211	957	445	6,270	6,291,571	45.6				
Am. Fidelity, Vt.	2,728,020	1,439,114	52.5	190,930	1,801	917	9	2,537,090	54.5				
Amer. F.C. Fla.	3,136,193	1,366,008	43.3	417,432	491	915	728	2,718,761	47.2				
Am. Gen. Minn.	581,151	233,913	40.1	65,652	65	35	479	515,499	35.3				
Am. General, Tex.	4,067,771	1,507,513	36.9	-2,698	1,606	903	1,558	4,070,469	36.1				
Am. Guarantee	3,437,279	1,813,917	52.7		282,173	1,854	652	3,155,106	48.5				
Am. Home	2,590,546	1,282,272	49.4	-154,075	308	235	2,046	2,744,621	45.2				
Amer. Indem., Tex.	4,845,324	2,436,834	50.1	128,274	2,016	1,289	1,539	4,717,050	44.7				
Am. Ind. Reins.	455,710	180,100	39.5		1	1	452						
Am. N. J.	22,592,596	13,455,485	59.5	395,539	7,717	4,266	10,588	22,197,057	54.8				
Am. Liberty	203,198	107,098	52.7	-75,467	32	24	146	278,657	25.2				
Amer. Motorists	19,040,367	8,651,761	45.6	488,560	10,344	4,826	3,868	18,551,807	39.9				
Amer. Natl.	969,104	481,396	49.7	-35,353	229	114	625	1,004,457	45.5				
Amer. Policyholders	2,168,046	1,214,947	56.0	477,844	1,246	619	301	1,690,202	52.3				
Am. Reins.	5,222,492	3,037,558	56.0	633,437	4,438	611	172	5,855,929	50.1				
Am. Southern	668,411	294,123	43.0	396,371	19	16	632	720,040	47.4				
Am. Standard, Colo.	86,037	41,598	48.3	-4,131	26	36	90,168	33.6					
Amer. States	15,109,098	7,625,569	50.5	-1,808,140	523	4,709	5,106	16,917,238	41.1				
Am. Surety	16,026,015	8,187,888	51.1	-1,137,405	8,159	4,454	3,411	17,163,420	46.4				
Am. Title	163,241	102,088	62.6	53,540	59	33	109,701	37.5					
Am. Univ., R. I.	1,357,907	677,407	50.1	233,462	367	155	835	1,124,445	47.3				
Anchor Cas.	5,544,913	2,321,970	41.8	10,205	2,467	1,408	1,669	5,534,708	43.2				
Arex Indem.	310,652	184,098	59.3	146,654	198	111		163,998	45.7				
Associated Indem.	337,751	123,320	36.5	22,566	213	102	21	315,165	29.5				
Assurance, N. Y.	1,407,021	743,006	53.0	14,062	112	57	1,236	1,392,958	90.6				
Atlantic Cas.	4,619,360	1,466,437	31.6	71,398	2,051	1,163	1,404	4,547,962	29.7				
Atlantic, Tex.	1,224,861	545,155	44.6	84,324	512	364	347	1,140,537	39.6				
Atlantic Natl, Fla.	223,806	120,357	53.8	129,067	186	37	94,739	80.3					
Atlas	618,314	316,549	51.2		305	261	31						
Audubon, La.	1,318,064	780,233	59.5	195,126	199	101	1,017	1,122,938	56.8				
Auto Club, Ohio	619,555	295,583	47.7	82,339	182	77	259	537,216	40.5				
Baloise Fire, Fla.	86,664	35,888	63.2	44,600	21	11	23	12,064	48.0				
Baloise, Marine, Cal.	123,414	120,455	97.5	115,000	39	22	60	8,414	35.2				
Bankers Ship.	3,414,137	1,709,923	49.8	-186,102	20	10	3,382	3,600,239	43.8				
Bankers F.&M.	805,874	403,973	50.1	341,468	61	32	710	1,147,342	52.6				
Bankers, Ark.	52,044	32,129	61.7	14,933	4	3	44	37,111	45.2	</			

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134 39.7
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518 45.8
072 55.1

620 55.6
834 55.1
932 53.5
999 46.6

085 48.2

332 28.3

124 39.0

451 44.9

263 41.0

312 42.2

076 50.7

694 41.4

603 49.3

404

748 74.4

125 46.7

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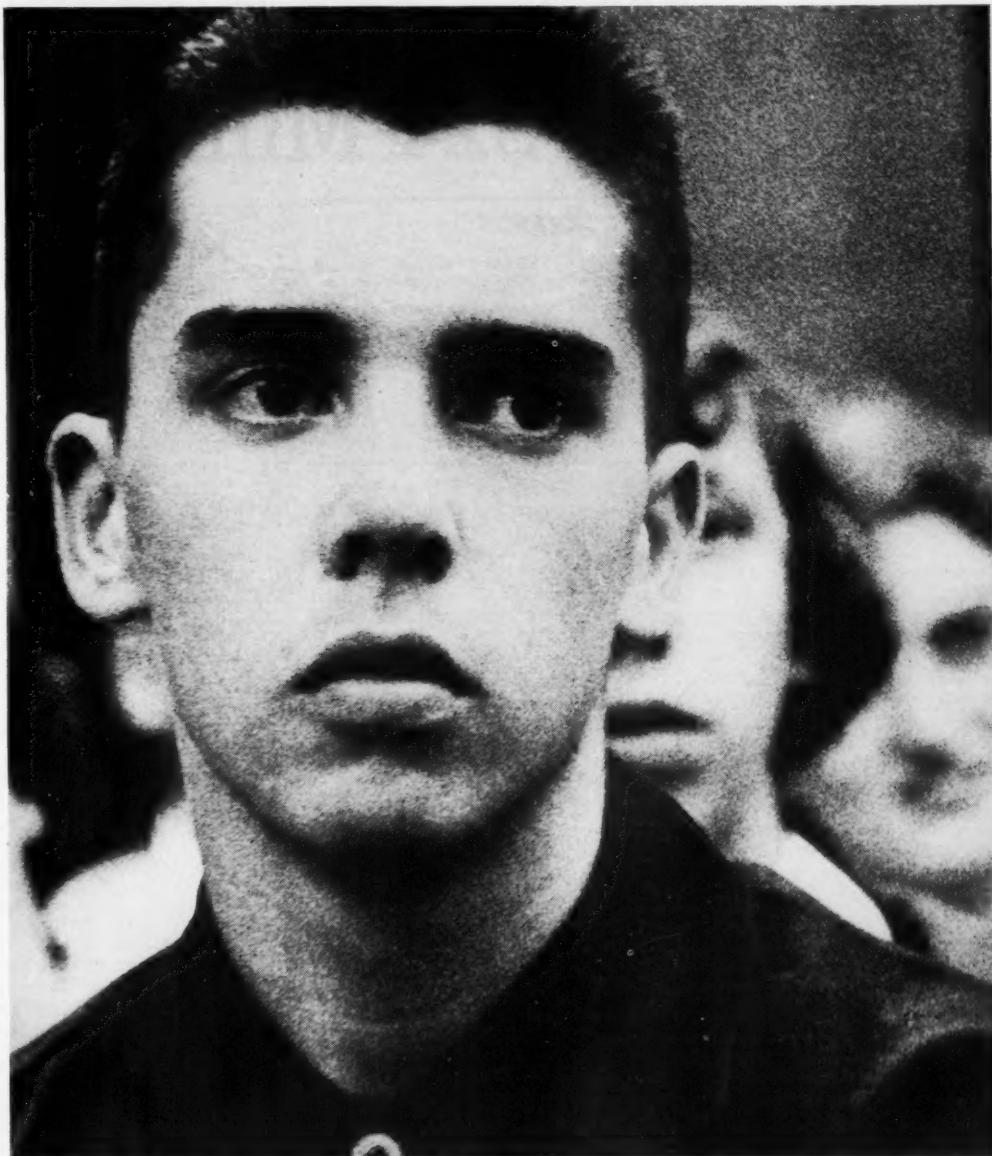
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Field Claimsman W. O. Trindle, Honey Brook, Pa.



Agent Richard E. Wilson, Coatesville, Pa.



Underwriter Chas. E. Nason, Harrisburg, Pa.



Dist. Sales Mgr. R. J. Butler, West Chester, Pa.

The youngsters listened . . . to Nationwiders talking.

It happened in Chester County . . .

There are probably a lot of Chester Counties, but the one in Pennsylvania is where *this* dramatic activity took place:

It had to do with youthful drivers. The fact is, about two years ago they had begun to gum up everybody's loss ratio.

Well, what could be done? Kick out the youthful driver? That's *one* answer. But instead, a few of our agents in Chester County decided there must be a better way—and they found their answer. They decided to become their "younger brothers' keepers".

They decided they'd keep writing them . . . provided the youngsters would "enroll" for a special kind of educational session to be held at regular monthly intervals.

Here Nationwide agents, claimsmen and underwriters demonstrated to these young drivers that the operation of an automobile was a lot more serious than they ever imagined. The result? The young folks in Chester County drive more carefully today. This helped materially

to cut our loss ratio 30% . . . and production has gone up, too. Why? Because the *parents* of these youthful drivers learned from first hand experience that a Nationwide agent is really a "different" insurance counsellor.

They learned from first hand experience that he *believes* in his company's slogan, *In Service With People*. There's no escaping the old truth: if you can trust a man with your child . . . you can trust him with just about anything . . . including your *insurance*!

Get the facts on this "different" kind of company. Write Agency Secretary, care of:



NATIONWIDE
INSURANCE

(Formerly FARM BUREAU INSURANCE of Ohio)

Mutual Insurers Write \$1.1 Billion, State Farm Gains \$24 Million

Total automobile insurance premiums of mutual companies in 1955 increased \$50 million over the figure for 1954. The \$50 million gain in 1955 compares with an increase of \$86,700,000 in 1954, and is the second year in a row for a reduction in the amount of increase. Mutual insurers, however, are now well established in the \$1 billion classification, with a 1955 total of \$1,096,130,048. Losses of \$572,028,010 produced a loss ratio of 52.4% as compared with 46.7% the preceding year.

Again in 1955, State Farm Mutual Auto was first in earned automobile insurance premiums, leading not only the mutuals but all companies. This was the 14th consecutive year that State Farm has held the No. 1 position.

State Farm's earned auto premiums of \$225,754,503 represent a 12.1% increase over 1954. The company writes more than 5% of the total automobile business in the United States, and 20% of all of the mutual business.

Among the mutual insurers, State Farm has a lead over the second largest company, Nationwide Mutual, of \$113 million, and this compares with a lead of \$90 million in 1954. Allstate, the leading stock insurer, is \$17.5 million behind State Farm.

In number of cars insured, State Farm also held its lead, at the end of 1955 having 3,971,000 automobile policies in force, or 700,000 more than the total claimed by Allstate, the second company. By March 31 of 1956, State Farm had more than 4,100,000 automobiles insured, which the company estimates as one of every 11 passenger cars in its principal operating area.

Among the leading mutual insurers, there were no startling changes. The first seven companies remained in the same order as in 1954, and the 8th, 9th and 10th companies all took new positions.

Nationwide Mutual, which in 1954

TEN LEADING MUTUAL COMPANIES									
Rank	Company	1955		1954		1953		1952	
		Earned Prems.	Earned Prems.	% of Inc.	Earned Prems.	Earned Prems.	% of Inc.	Earned Prems.	Earned Prems.
1.	State Farm Mutual, Ill.	\$25,754,503	\$20,391,636	12.1	\$15,186,182	\$13,259,140	10.87	\$10,970,059	\$10,987,793
2.	Nationwide Mut.	11,308,574	11,189,347	.4	101,140,861	77,179,420	56.987	77,179,420	56.987
3.	Liberty Mutual	68,952,462	69,046,014	—4	66,724,374	54,758,708	45.333	54,758,708	45.333
4.	Lumb. Mut. Cas.	65,143,834	65,537,295	—1.2	66,487,496	63,201,367	56.331	66,487,496	56.331
5.	Hardware, Wis.	36,272,047	34,523,273	5.0	32,161,721	27,015,329	33.795	32,161,721	33.795
6.	State Auto, Ohio	22,163,246	21,110,134	5.0	18,973,528	15,859,477	13.687	18,973,528	13.687
7.	Farmers Auto, Wis.	29,770,801	29,725,283	.2	27,282,880	13,095,554	11.234	27,282,880	11.234
8.	Utica Mutual	17,514,817	17,416,323	.6	16,032,834	12,954,050	10.422	16,032,834	10.422
9.	Auto-Owners	17,298,118	16,674,539	3.7	15,191,799	12,381,223	10.818	15,191,799	10.818
10.	Mich. Mut. Liab.	16,944,591	17,626,309	—3.9	17,713,171	15,787,204	13,323	17,713,171	13,323

was known as Farm Bureau Mutual of Ohio, had only a 4% increase in premiums as compared with 10% the year before. The increase of \$415,000 as against State Farm's \$24.3 million produced a disparity in their rankings of \$23 million more than that of 1954. Even so, Nationwide Mutual bettered its position over Liberty Mutual, the third company, which had a \$93,000 decline in auto business and is now \$44 million out of second place.

The only other mutual company doing more than \$50 million in auto business, Lumbermen's Mutual Casualty, also had a decrease in premiums, in this case in the amount of \$793,000. However, Lumbermen's Mutual is making a drive for auto business in 1956 and undoubtedly will pass its previous high of \$66.4 million, set in 1953.

The fifth place company, Hardware Mutual Casualty of Stevens Point, Wis., gained 5% in auto premiums and is now at the \$36 million mark. State Automobile Mutual of Ohio also went ahead 5% and is one of the three companies in the leaders' list to show an increase of \$1 million or more in business.

Farmers Automobile of Madison, which in 1954 gained 20% in business, drastically reduced its momentum last year, but remains within the \$20 million bracket and in a strong seventh position.

The No. 8 company is Utica Mutual, which improved its position one notch, although partly by default as Michigan Mutual Liability showed a reduction in business of 3.9% and dropped from 8th to 10th position. This also benefited Auto-Owners of Lansing, which added \$623,000 to its 1954 business and is in 9th position now by \$350,000.

The premium volume of State Farm Mutual in 1955 was affected by rate reductions which were begun in 1954 and carried on in 1955. Last year the company put in effect its first classification plan for liability insurance plus an age gradation plan for comprehensive collision. Over-all, these plans reduced State Farm rate levels by several million dollars. The company's underwriting gain last year was \$14,868,181 as compared with \$25,536,433 in 1954.

State Farm presented one of the strongest financial statements in the business for 1955, showing assets of \$331,307,666 and surplus of \$118,833,889. The surplus gain was \$13,548,492 after \$2,910,000 was added to voluntary loss reserve and \$1,543,345 to an investment fluctuation reserve.

In the first quarter of 1956, State Farm has had the biggest production of new business in its history. New business was ahead 46.5% of the first three months with new applications coming in at a rate in excess of 4,000

every business day. This reflects increased sales on all fronts. Last year State Farm added a net of more than 500 new agents and 150 new agency managers. All agents are recruited through an intensive selection and training process to assure appointment of qualified career men. Two new important territories were opened by State Farm in 1955, New York and New Jersey. Agency operations are almost fully established in New Jersey and are advancing rapidly in New York, with both states now producing good business volume.

Supporting the aggressive selling operation is a strong advertising program on both the local and national level. The company is spending in excess of \$1 million on local agent advertising on a cooperative basis. National advertising is spearheaded by a weekly television show on NBC, featuring Red Barber following the Friday night fights, and by a six page advertisement in the January, 1956, *Readers Digest*. This was the largest insurance ad ever produced on the basis of circulation and space cost.

The advertising program also includes regular double-page ads in *Readers Digest*, *Life* and *Look*, plus full-page ads in *Farm Journal*, *Town Journal*, *Successful Farming* and the west coast edition of the *American Weekly*. More than 800,000 booklet reprints of the six-page *Readers Digest* advertisement were distributed by agents as sales or pre-approach material.

The triple emblem for automobile bumpers is being distributed in quantity, with 3 million sent out last year alone.

State Farm handled a record high of 1,302,256 claims in 1955, paying more than \$109,715,787 in settlements. By the end of 1955 the company had 1,598 people in field claim offices.

1955 Automobile Experience Given for MUTUAL FULL COVER Companies

1955										1955									
Total Earned Prems.	Total Incurred Losses	Total Loss Ratio	Incr. or Decr. in Prems.	BI Earned Prems.	PDL Earned Prems.	PHD Earned Prems.	1954 Earned Prems.	1954 Earned Prems.	1954 Loss Ratio	Total Earned Prems.	Total Incurred Losses	Total Loss Ratio	Incr. or Decr. in Prems.	BI Earned Prems.	PDL Earned Prems.	PHD Earned Prems.	1954 Earned Prems.	1954 Earned Prems.	1954 Loss Ratio
\$	\$	%	\$	\$	\$	\$	\$	\$	%	\$	\$	%	\$	\$	\$	\$	\$	\$	%
Abbey Cas., D. C.	156,839	88,660	56.8	4,310	109	46	1,121	152,529	37.1	Eastern Mut., Mass.	586,588	244,138	41.6	—58,535	526	60	.....	645,123	40.3
Agric. Wrks., Tex.	224,033	64,918	28.9	53,566	24	13	186	170,467	23.5	Elec. Mut. Liab.	411,091	104,206	25.3	25,935	254	156	.....	385,156	38.6
Ala. Farm Bur.	1,951,618	1,007,962	51.3	—322,821	600	607	682	2,274,509	51.4	Empire, N. Y.	7,814,960	4,284,412	54.7	1,101,223	6,076	1,643	95	6,713,737	55.8
Alliance Mut. Cas.	2,584,952	1,309,464	50.3	244,724	786	598	1,210	2,340,228	45.0	Emp. Mut. Cas., Ia.	14,804,988	7,363,993	49.8	—80,592	5,982	3,819	5,002	14,885,590	46.0
Allied Am. Mut.	4,407,594	1,981,141	45.0	129,517	693	453	3,260	4,276,077	39.4	Emp. Mut. Cas., Ia.	11,869,100	5,746,281	48.6	—8,143	6,851	3,667	1,349	11,877,243	47.4
Allied Mut. Cas., Ia.	6,277,797	2,911,558	46.4	—18,262	2,160	1,625	2,491	6,296,059	45.7	Emp. Mut. Liab., Wis.	1,810,725	861,244	47.6	164,336	835	419	555	1,646,389	43.9
Allied Mut., Mo.	901,439	516,868	57.3	41,432	368	214	318	860,007	41.4	Equity Mut., Mo.	1,536,364	740,974	48.4	12,645	1,128	407	407	1,423,719	48.4
Amal. Cas., D. C.	986,416	403,865	40.7	13,085	690	295	.....	999,501	46.2	Fact. Mut. Liab.	14,395,428	5,679,677	39.7	399,663	7,900	3,243	3,065	13,995,765	36.0
Amal. Mut. Auto	920,336	506,417	55.0	—31,348	920	.....	951,684	49.5	Farm Bur. Ida.	1,298,759	659,523	51.1	—33,003	227	163	907	1,331,762	52.1	
Am. Agricul.	1,904,702	241,776	12.7	388,228	1,757	147	.....	1,516,474	12.2	Farm Bur. Ind.	9,519,668	6,202,216	65.2	503,245	2,711	1,434	5,374	9,016,423	59.1
Am. Frms. M. Aut. Ia.	319,833	81,462	25.5	52,003	104	96	118	267,836	21.8	Farm Bur. Mut. Kan.	6,303,226	3,706,051	58.7	144,699	1,768	789	3,745	6,158,527	51.7
Am. Hard., Minn.	10,840,648	4,817,808	40.7	489,005	4,922	2,545	3,372	10,351,643	40.9	Farm Bur. Mich.	2,643,505	1,778,741	67.0	774	335	1,533	2,405,603	76.1	
Am. Mut. Fire, S.C.	418,463	179,223	42.8	54,693	.....	417	363,770	45.7	Farm Bur. Mo.	2,485,680	1,494,127	60.0	350	737	458	1,289	2,485,330	64.2	
Amer. Mut. Ia.	239,364	129,190	53.9	33,696	71	65	99	205,668	46.1	Farm Bur. Neb.	991,390	717,143	59.9	421,357	79,167	92	404	630,019	41.3
Am. Mut. Liab.	14,905,943	8,476,724	56.9	—532,502	8,839	4,451	1,615	15,338,445	49.1	Farmers Cas., Ia.	1,242,889	627,005	50.5	—5,088	2	.....	12	21,015	59.4
Armed Forces, Tex.	Figures not available	.....	.....	.....	.....	.....	.....	.....	.....	Farmers Elev. M.C., Ia.	72,097	40,669	56.4	—54,798	15	13	42	126,895	20.4
Atlantic Mut., N. Y.	4,038,409	1,623,082	40.3	95,991	2,431	816	790	3,942,418	38.2	Farmers M. Auto, Wis.	9,985,968	4,82	45,518	9,532	3,562	7,655	20,725	28.3	
Auto Owners, Mich.	17,298,118	7,326,141	54.1	52,579	4,259	2,539	8,438	16,674,539	52.8	Farmer Mut. Hail, Ia.	1,378,400	547,538	39.9	—95,645	479	370	528	2,274,054	42.3
Badger Mut., Wis.	783,910	380,045	48.5	139,291	341	183	258	644,619	32.2	Farmer Mut., Wash.	2,498,088	1,739,957	62.3	584,164	948	549	999	1,913,924	55.0
Badger State Cas.	1,141,358	540,659	47.4	83,308	575	296	296	1,058,050	40.7	Fed. Mut., I. & H.	7,746,289	3,513,625	45.3	245,186	2,924	1,674	3,147	7,501,03	41.6
Beacon Mut. Indem.	3,521,855	1,622,070	46.0	166,050	1,156	903	1,381	3,355,805	49.0	Fidelity Mut., Ind.	3,884,086	1,694,138	43.6	95,410	1,443	953	1,487	3,788,676	41.7
Cadillac Mut., Mich.	315,682	140,329	44.4	69,376	106	134	74	246,306	52.8	Frankenmuth, Mich.	2,597,509	1,638,846	62.9	14,473	631	606	1,360	2,583,436	63.8
Capital Mut., Neb.	560,460	242,489	43.2	18,191	176	144	239	520,289	49.2	Gen. Mut., N. Y.	1,714,901	800,937	46.8	—37,951	1,218	496	.....	1,732,852	52.5
Celina Mut., O.	5,216,119	2,680,074	51.4	—365,624	1,604	2,040	5,581,743	43.2	Gen										

1955 AUTO REVIEW: COMPULSORY, COMPETITION, LOSSES

(CONTINUED FROM PAGE 38)

may have the effect of getting the business to do a lot more simplifying than it has done heretofore. As a matter of interest, the suggestion has been made that no policy is needed at all. Each insurer simply files its contract with the state, and insured gets a slip with the limits and numbers of endorsements he has for, say, medical payments, UM, etc. Why put all the law in the policy anyway? Insured doesn't read it; not even the lawyers read it. The policy isn't important to anyone.

Compulsory is likely to open up in a more pronounced way than heretofore the subject of selective underwriting. There is going to be a wholesale problem in this connection at the outset. Some companies already have passed word to their agents that new business under compulsory will be turned down and sent to assigned risk. One estimate places at 100,000 the additional risks going into the assigned risk plan, which is girding itself for this indicated approximate doubling of its work.

Where classifications admittedly are not highly accurate and scientific, as in the automobile field, and where from insurer to insurer, the application of underwriting controls and the controls themselves vary considerably, underwriting for company and agency purposes is difficult enough. But in a field as large as automobile that now has been imprinted strongly with the social seal, just how selective can the business be as a whole, and how selective can individual insurers become—without further interference by the state?

At the moment there is real concern among companies about the BI loss ratio. This may have some effect on competition, particularly if compulsory were to force any appreciable increase in losses. The auto BI loss ratio of one insurer climbed 10 points in the last half of 1955, and there were indications that the climb began around mid-year or earlier. But the real thrust occurred in the first quarter of 1956, when, it is estimated, the ratio jumped as much as 10 points for many companies.

Though to say so oversimplifies the matter, the chief culprit is inflation. BI losses worsened, for example in Great Britain and elsewhere outside the U.S. in the last quarter of 1955 and presumably are continuing at an accelerated clip.

The full impact of the increase in frequency and severity of automobile BI claims and jury awards was not reflected in the 1955 statements. Insurers were recouping some money from reserves set up on originating in previous years, and they were still feeling the effects of some rate increases during 1955.

The slightly downward trend—so short as hardly to earn the term—in rates is certainly over, except perhaps in a few territories.

Some observers believe the 25% discount on second cars in a family is not justified, that it may not have been justified even if experience had not worsened. They point to the very substantial growth in number of second cars in recent years. In Los Angeles county, for example, there are 1.8 automobiles per family. That county is said to have more private passenger automobiles than the entire state of New York.

The 25% discount on the second car equals an 11% plus discount on the entire motor car population, which means a considerable amount of money coun-

try over. On the west coast experience is especially terrible.

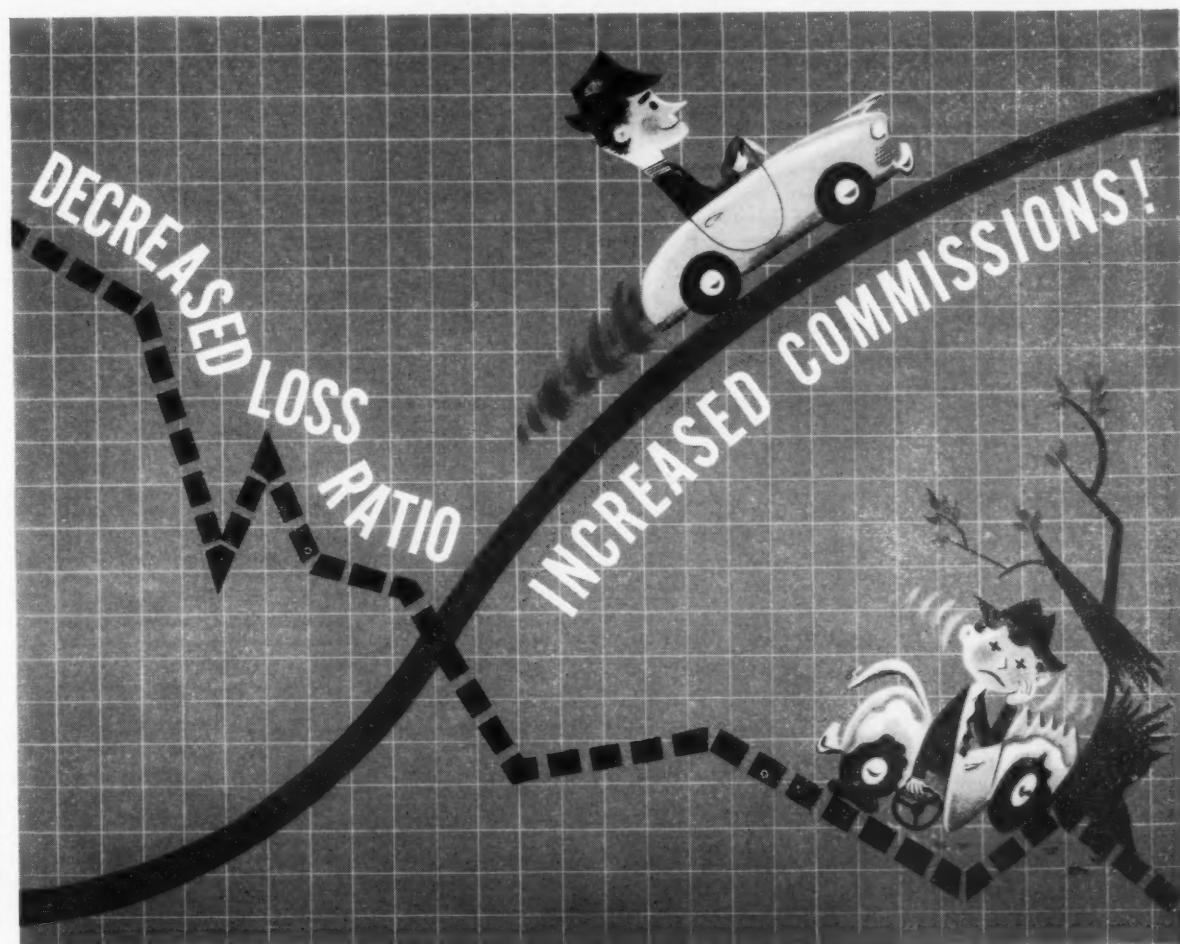
Another point made is that the second car very frequently is purchased for a younger driver in the family, a good deal more frequently perhaps than for the wife to do her shopping. This is particularly true in metropolitan areas where the breadwinner commutes by public transportation, and

where the automobile experience is especially bad.

In collision and fire, theft and comprehensive, experience, which has been improving for some time, began to turn slightly upward last year, and underwriters think this climb, though not alarming and not, so far, sufficient to warrant rate increases, did put an end to rate decreases—again, probably, with a few exceptions.

Poor experience—the country is headed for its worst accident year—is likely to produce some caution among

(CONTINUED ON PAGE 50)



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Stock Fire Insurers

Gain Only \$4 Million

Stock companies confining their automobile writings to physical damage coverages now number less than 200. Their total earned premiums for 1955 were \$565,741,159, and on a company-by-company basis, this is an increase of only \$4,495,023, but as compared with the more than 200 companies in this same classification last year, the premiums are down more than \$68 million, the first time this group has had a reduction in premiums in the aggregate from the previous year since the war years.

Losses for the physical damage writers totaled \$268,020,822, producing an

increase by reason of an increase of 7%, and with premiums of \$35.4 million is \$2 million ahead of Hartford Fire, which was 3rd last year, and almost \$6 million ahead of Calvert Fire, which was the 4th company last year. Hartford Fire reduced its writings \$2 million, or 6%, in 1954, going from \$35.5 million to \$33.4 million, and Calvert Fire was down \$5 million, from \$34 million to \$29 million. The premium decreases of Hartford and Calvert put Emmco, the 6th company, only \$3.8 million out of 5th place. Emmco showed a 6.4% increase in 1955.

Remaining as the 7th largest PHD

TEN LEADERS IN STOCK FIRE FIELD

	1955	1954	1953	1952	1951
	Earned Prems.	Earned Prems.	% of Incr.	Earned Prems.	Earned Prems.
	\$	\$		\$	\$
1. General Exchange	139,142,057	135,285,541	.3	117,074,727	98,012,557
2. Service Fire	43,386,400	44,647,304	-2.8	42,239,163	40,437,373
3. Motors	35,457,639	33,100,818	7.1	28,225,651	25,534,965
4. Hartford Fire	33,442,206	35,590,638	-6.9	35,933,970	33,819,333
5. Calvert Fire	29,869,585	34,888,091	-14.4	39,982,716	37,239,393
6. Emmco	26,046,925	24,475,538	6.4	21,553,049	19,566,218
7. Automobile	24,281,279	24,023,325	1.1	23,755,244	21,629,670
8. Allstate Fire	19,458,103	17,040,493	14.2	12,336,326	11,162,471
9. Resolute	14,647,122	15,236,539	-3.9	17,051,785	16,491,186
10. Service Casualty	14,465,769	16,567,100	-12.7	21,553,049	23,995,346
					20,483,047

earned-incurred ratio of 47.9% as against 43.5% in 1954. The top 10 companies in the only-PHD class account for \$380,196,449 of the total premiums, or 67%.

Within the 10 leaders, there were five companies with decreases in premiums and five with increases. Only one company, Allstate Fire, showed a gain of more than 10%, although the leader in amount of gain was General Exchange with nearly \$4 million.

With the disappearance of Home to the stock full cover classification, Resolute moved into the big 10, taking over 9th position.

General Exchange, which gets the bulk of its business as reinsurance from Motors, continues as the No. 1 physical damage writer with premiums of \$139,142,057. This is a gain of .3% over 1954, but the second company, Service Fire had a loss of 2.8% and fell farther behind. General Exchange now occupies first place by virtue of a \$95 million bulge over Service Fire. The other member of the GMAC group, Motors, moved from 5th to 3rd posi-

writer is Automobile of Hartford, whose premiums of \$24,281,279 in 1955 were a gain of \$250,000.

Allstate Fire, whose premiums come as reinsurance from Allstate, is now the 8th largest in the stock fire list, with \$19.4 million in premiums. The 14.2% gain of Allstate Fire last year compares with an increase of 38.1% in 1954. In 1950, Allstate Fire was doing only \$5,268,832 in auto premiums.

Despite a loss in business from \$15.2 million to \$14.6 million, Resolute of Hartford took over 9th position. The switch of Home of New York to the full cover classification and the even larger decrease of Service Casualty put Resolute among the top 10 by default. Service Casualty, which in 1954 showed a decrease of \$5 million, is now down to \$14.4 million in premiums. In 1952, Service Casualty wrote \$23,995,346 in auto business for its peak year.

Seven of the 10 leaders in automobile physical damage writings are finance insurers. Only Hartford Fire, Automobile and Allstate Fire do not belong to finance organizations.

STOCK FIRE Insurers' Results on Auto PHD Business in 1955

	1955	1954	1953	1952	1951			
	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.
	\$	\$	%	\$	\$	\$	%	\$
Agricultural, Wyo. .	312,362	185,445	59.2	54,368	257,994	116,229	45.1	.....
Albany	247,663	124,969	50.2	.....	272,701	123,375	45.2	-2,928
Allied Fire, N.Y. .	182,323	84,061	46.1	-67,909	250,232	113,836	45.2	-27,304
Allstate Fire	19,458,103	6,467,513	33.3	2,417,610	17,040,939	5,240,410	30.8	4,704,167
Alpina, Switz. .	24,104	11,497	47.4	2,605	21,499	9,671	44.9	11,505
Am. Auto Fire	14,323,987	5,700,225	39.8	28,069	14,093,918	4,911,813	35.0	407,006
Am. Bankers, Fla. .	4,131,214	1,968,144	47.4	356,195	3,775,019	1,631,966	43.2	-10,997
Am. Eagle	1,503,907	723,583	48.1	-247,620	1,751,527	712,050	40.6	-187,503
Am. Equit.	1,435,824	685,192	51.1	-59,089	1,404,913	639,121	45.4	-50,761
Amer. Marine, N.Y. .	113,668	51,526	45.6	102,490	111,178	5,801	50.1	.....
Am. Security, Ga. .	7,968,768	3,636,907	45.6	646,961	7,321,807	3,081,707	42.0	1,245,558
Amer. Union	565,330	311,193	55.0	-137,128	702,458	334,327	47.5	-66,862
Andrew Jackson . . . . .	.....	.....	.....	.....	.....	.....	.....	.....
Arrowhead, Cal.	225,596	134,980	59.2	93,879	131,717	81,244	61.6	.....
Atlas & Gulf States . .	140,433	43,586	31.1	7,169	133,264	45,855	34.4	.....
Atlas	990,232	499,879	50.4	-100,570	1,090,802	493,490	45.2	-11,713
Automobile	24,281,279	10,186,641	41.7	257,954	24,023,325	8,413,335	35.0	268,081
Automotive, Cal.	438,132	196,436	44.7	-181,277	619,409	323,141	52.9	.....
Balboa	3,152,951	1,630,969	51.1	1,79,971	1,972,980	785,873	39.8	.....
Buckeye, U. Fire	842,753	415,692	49.3	42,286	806,467	318,886	39.7	71,946
Caledonian-Amer.	105,351	56,011	53.3	-7,328	112,679	52,659	46.9	-5,320
Caledonian	419,088	224,043	53.4	31,630	450,718	210,624	46.6	-21,278
Cal. Union . . . . .	.....	.....	.....	-49,381	49,381	13,763	27.7	-110,024
Calvert Fire	29,869,585	16,146,953	55.0	-5,018,506	34,888,091	16,613,021	47.6	-5,094,625
Canadian Fire	830,480	381,253	45.8	418,924	411,556	161,997	39.3	-59,001
Cavalier	1,222,186	729,663	59.7	305,150	917,036	502,630	54.8	751,399
Cent. Trust, China . . . . .	.....	.....	.....	-24,663	24,665	11,915	48.3	-168,397
Cherokee	1,918,008	1,006,967	52.4	-40,925	1,958,933	1,095,413	55.8	121,207

	1955				1954			
	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.
	\$	\$	%	\$	\$	\$	%	\$
Chesapeake	571,348	315,836	55.1	124,650	446,698	242,272	54.2	16,825
Cincinnati	59,952	23,684	39.4	12,974	46,978	13,923	29.6	.....
Citizens of N.J.	344,764	155,241	45.0	-22,143	366,907	146,031	39.8	.....
Colonial, Pa.	8,321	3,405	40.8	-12,446	30,767	10,057	48.4	12,033
Colonial Sur.	290,525	177,334	61.0	-32,456	322,981	179,218	55.4	56,570
Columbia, N.Y.	258,811	151,831	58.5	6,222	252,389	114,545	45.3	-15,305
Com'l. Cas., Tex.	168,889	109,081	65.0	6,027	162,862	50,125	30.7	8,231
Comm'l. Std. F.&M.	3,183,077	1,600,298	50.3	502,043	2,681,034	1,067,511	39.5	164,076
Commonwealth	718,965	323,812	44.9	-71,575	790,543	352,549	44.5	-27,050
Congressional, D.C.	34,033	22,811	67.1	.....	.....	.....	.....	.....
Consolidated, S.C.	1,494,264	833,881	55.8	.....	.....	.....	.....	.....
Copenhagen Re.	193,230	108,208	61.1	64,830	128,400	74,070	57.6	-28,061
Continental	13,326,674	5,908,870	44.3	-779,954	14,106,628	6,162,409	43.6	-344,470
Delta, Tenn.	936,892	363,876	36.8	149,380	787,512	314,991	39.9	.....
Dependable, Fla.	634,592	296,136	53.6	12,406	512,186	216,861	42.1	75,812
DeSoto Fire, Ala.	5,793	3,516	60.6	.....	.....	.....	.....	.....
Eastern F.C. & S.C.	774,320	260,613	33.6	-51,302	825,622	246,920	29.8	16,045
Emmco	26,046,295	13,543,160	51.9	1,570,757	24,475,538	11,228,522	45.9	3,830,835
Excelsior	490,643	274,546	55.9	22,709	467,934	224,620	47.9	71,579
Farmers Fire, Pa.	4,427	5,515	124.9	1,951	2,476	1,349	.....	.....
Fidelity-Phenix	10,600,972	4,513,168	42.5	-1,049,705	11,650,677	4,880,316	42.0	-733,598
Fire & Cas., Ct.	1,235,186	765,546	62.1	-240,255	1,475,441	702,116	47.5	110,020
Firemen's, D.C.	15,681	5,791	37.1	-837	16,518	4,029	24.3	-2,414
First National	254,156	168,750	66.1	-20,696	463,852	214,794	46.2	-37,718
First Security, D.C.	722,246	409,649	56.6	162,768	559,478	249,783	44.5	.....
Foremost, Mich.	714,060	215,335	30.1	66,648	647,412	214,729	33.1	.....
French Union	18,400	10,220	55.4	-7,048	25,457	7,833	30.8	4,874
Gen. Bonding Fire	98,980	57,853	58.4	44,778	54,262	30,836	56.8	.....
General Exch.	139,142,057	68,334,429	49.1	3,856,116	135,285,941	62,529,848	46.2	18,211,214
General, Wash.	10,996,794	4,299,289	39.3	-9,163,343	11,913,137	4,044,871	33.9	-511,310
Gen. of Trieste & Ven.	46	4	8.7	-5	51	8	15.6	.....
Globe & Rep.	504,684	256,947	50.7	504,684	239,670	.....	.....	.....
Great Eastern	397,656	257,500	64.7	-28,991	426,647	217,210	50.9	4,396
Great Lakes	165,063	62,726	38.0	46,214	118,849	30,478	25.7	.....
Halifax	88,405	34,958	39.5	40,350	48,055	22,035	45.8	21,944
Hartford Fire	33,442,200	15,058,339	44.8	-2,147,838	35,599,438	14,165,085	3	

Show Ratios of Law Suits Outstanding to Auto Liability Premiums Earned in 1953-55

The ratios of suits outstanding to earned automobile liability premiums country-wide for companies licensed in Illinois are shown in the following exhibit. The information is taken from the 1955 annual statements filed with the Illinois department. In the first column is shown the total of automobile liability premiums earned during the three-year period 1953-1955. Column two shows the number of suits outstanding at Dec. 31, 1955, in connection with policies for which the premium was earned in the three-year period; in column three is the number of suits per \$100,000 of earned premiums.

	Premises 1953-55	Outstanding Suits, Dec. 31	Suits Per \$100,000 of Earned Premises	Premises 1953-55	Outstanding Suits, Dec. 31	Suits Per \$100,000 of Earned Premises	Premises 1953-55	Outstanding Suits, Dec. 31	Suits Per \$100,000 of Earned Premises	Premises 1953-55	Outstanding Suits, Dec. 31	Suits Per \$100,000 of Earned Premises	
Hanover Fire	36,318			Highway Unds.	2,135,149	72	3.9	Iowa Nat. Mut.	10,353,738	367	3.6		
Hardware Mut. Cas.	44,669,945	2,053	4.6	Home Indem.	32,752,913	2,117	6.5	Jersey**	59,204	1	3.6		
Hartford Accident	140,340,530	6,307	4.5	Hoosier Cas.	2,114,670	72	3.4	Kansas City F. & M.	675,381	34	5.0		
Hawkeye-Security	2,673,702	137	5.1	Horace Mann Mut. Cas.	689,352	25	3.6	La Salle Cas.	19,160	10.5			
Highway Cas.	968,961			Houston Fire & Cas.	3,964,007	308	7.8	Liberty Mut.	97,993,891	8,103	8.3		
				Ideal Mut.	2,453,704	236	9.6	Lincoln Cas.	1,430,192	258	18.0		
				Ill. National	52,269,702	4,355	8.3	London Lloyds	2,435,519				
				Ind. Lumb. Mut.	6,448,086	294	4.6	London & Lane Ind.	8,816,012	537	6.1		
				Inland Mut.	2,061,864	97	4.7	Lond. Guar.	14,187,937	1,085	7.7		
				Ins. Co. of N. A.	7,509,772	473	6.3	Lumb. Mut. Cas.	94,870,028	5,816	6.1		
				Interstate F. & C.	240,792	11	4.6	Mad. Co. Mut. Auto	540,271	39	7.2		
				Ia. Hardware Mut.	679,186	30	4.4	Mfrs. & Whrs.	971,340	22	2.3		
				Iowa Mut.	3,824,481	73	1.9						

(CONTINUED ON PAGE 51)

Acc. & Cas. 5,092,866
Aetna Cas. 115,781,885
Aetna Fire 30,223,221
Allied Mut. Cas. 4,706,086
Allstate 243,644,935
Allied Am. Mut. Fire 1,666,005
Amer. Auto 56,571,678
Amer. Cas. 18,677,433
Amer. Employers 17,215,689
Amer. Fid. & Cas. 41,642,347
Amer. Fid. Fire 2,689,861
Amer. Guarantee 4,641,039
Amer. Hard. Mut. 11,987,618
Amer. Home 726,606
Amer. Indemnity 4,897,225
American 18,582,797
Amer. Motorists 26,653,974
Amer. Mut. Liab. 23,976,327
Amer. Policyholders 2,518,959
Amer. States 13,067,779
Amer. Surety 21,921,269
Anchor Cas. 6,527,354
Arex Indem. 332,920
Assurance, N. Y. 165,092
Assoc. Ind. 503,764
Atlantic, Texas 1,244,784
Atlantic Mut. 6,071,562
Auto Club, Mo. 5,003,577
Auto-Owners 11,252,790
Badger Mut. 817,687
Beacon Mut. Ind. 2,813,073
Birmingham Fire, Pa. 4,8 892
Bituminous Cas. 4,384,242
Blackhawk Mut. 279,142
Boston 6,935,099
Car & General 3,578,689
Buckeye Union Cas. 11,959,279
Capitol Indem. 993,065
Carolina Cas. 5,993,225
Cas. Recip. Ex. 4,618,550
Centennial 273,954
Central National 1,323,540
Cent. Security Mut. 69,125
Central Surety 6,598,836
Century Ind. 30,223,221
Chgo. Ice Prod. Mut. 176,682
Chgo. Motor Club 7,531,000
Citizens Cas. 3,335,025
Columbus Cas. 16,589,357
Commercial, N. J. 23,669,449
Commercial Std. 4,874,132
Conn. Fire 5,069,037
Conn. Indem. 7,700,392
Consolidated Unds. 3,596,632
Continental Cas. 48,026,249
Cook County Mut. 189,983
Cornbelt* 197
Country Mut. Cas. 8,142,459
Dubuque F. & M. 346,455
Eagle Fire 1,651,808
Eagle Star 210,401
Economy Fire & Cas. 3,091,220
Electric Mut. Liab. 695,528
Employers Cas. 9,417,467
Employers Fire 680,257
Employers Liab. 36,549,594
Empl. Mut. Cas. Ia. 14,976,371
Empl. Mut. Liab. 17,372,268
Equitable F. & M. 5,069,037
Equity Mut. 2,017,143
Exchange Assn. 2,260,710
Factory Mut. Liab. 20,595,917
Farmers Auto, Ill. 2,722,239
Farmers Elev. Mut. Cas. 92,305
Farmers Equitable* 5,245
Farmers Exchange 78,847,765
Farmers Mut. Auto 24,951,943
Farmers Mut. Hall 1,557,671
Federal 13,414,202
Fed. Mut. Imp. & Hdw. 7,068,348
Fidelity & Casualty 101,330,500
Fidelity Mut. 3,185,028
Fire Association 8,564,909
Fireman's Fund 37,407,341
Firemen's, N. J. 28,231,314
Franklin National 18,844,624
Freepost 3,802,433
General Accident Grp. 60,566,117
General Cas., Wash. 36,915,038
General Cas., Wis. 8,717,342
General Fire & Cas. 13,226,321
Glen's Falls 30,405,937
Gov't. Employees 22,639,968
Great Amer. Indem. 33,736,301
Great Amer. 10,969,340
Grain Dirs. Mut. 2,939,270
Great Northern 3,007,529
Gulf 6,034,527

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20 Leading Automobile Insurers of 1955 Listed

(CONTINUED FROM PAGE 37)
ums. Between them, State Farm and Allstate (including Allstate Fire) wrote 10.3% of all the automobile business, and they accounted for 32.5% of the

total increase in business (again including Allstate Fire).

The average premiums of the first 20 companies was \$82,620,000, and this compares with \$78,600,000 in 1954 and \$72,024,000 in 1953. In 1952, the average was only \$58,905,000.

The manner in which the 20 largest companies dominate the automobile business is even better illustrated if the total of all of the companies belonging to groups which the individual insurers represent is added in, this producing another \$200 million, so that the 20 leaders and the members of their groups do 42.3% of all the auto business in the country.

Continental Casualty and Motors are newcomers to the leaders' list this year, replacing Indemnity of North America and Hartford Fire.

Aside from the big gains of State Farm and Allstate, there were few companies in the first 20 showing sizable increases. Continental Casualty, with an increase of \$8.2 million, surged into 16th place, but the gains of other companies do not compare with those of 1955 when \$5 to \$10 million increases were common.

The first six companies all retained their positions, and the first change is that between Hartford Accident and Farmers Exchange. Hartford Accident, on the strength of a \$700,000 boost in premiums, takes over 7th place, and Farmers Exchange, whose business was up \$300,000 is now only \$1.5 million ahead of Travelers. Aetna Casualty moved from 11th to 10th spot, trading with Liberty Mutual, but there is no further change until the 16th company, Continental Casualty, which was not in the table at all last year. General Accident and American Auto each dropped down a notch, but Ohio Casualty, 20th in 1954, gets a boost of one position. The final company of the first 20 is Motors.

The keen competition for premiums between State Farm and Allstate continued unabated throughout 1955. For the second year Allstate was first from the standpoint of direct premiums but State Farm kept its No. 1 position as regards earned premiums.

Rankings of the first 20 automobile writers on the basis of direct premiums written is given below. Allstate is first, State Farm second and Motors third in this presentation. Travelers Indemnity is the fourth largest auto writer, but Travelers, No. 9 on the earned premium showing, does not make the first 20 on the direct basis. The only companies to keep identical positions on the earned premium and direct premium lists are Aetna Casualty (10th place) Continental Casualty (16th) and American Auto (18th). Indemnity of North America shows up as the 19th largest direct premium auto writer, but is not among the first 20 in earned premiums.

On the left-hand column are shown the standings of the companies according to direct premiums, and in the right-hand column are the positions these companies occupy in the list of the 20 leading insurers on the basis of earned premiums.

1. Allstate	247,361,249	2.
2. State Farm Mut.	234,621,329	1.
3. Motors	162,143,892	20.
4. Travelers Indem.	112,501,823	5.
5. Nationwide Mut.	111,324,839	4.
6. Hartford Acc.	88,346,834	7.
7. Farmers Exch.	85,792,790	8.
8. Liberty Mut.	75,054,858	11.
9. U. S. F. & G.	73,185,623	6.
10. Aetna Cas.	72,764,193	10.
11. Service Fire	62,756,422	14.
12. Fid. & Cas.	61,167,755	13.
13. Lumb. Mut. Cas.	57,301,649	12.
14. Maryland Cas.	44,126,435	15.
15. General Acc.	42,345,859	17.
16. Continental Cas.	39,442,226	16.
17. General Exch.	38,144,197	3.
18. American Auto	37,518,292	18.
19. Indem. of N.A.	36,512,560	..
20. Ohio Cas.	35,580,207	19.

Results of Mutual Full Cover Insurers

(CONTINUED FROM PAGE 42)

	1955				1954				1954			
	Total Earned Premises	Incurred Losses	Loss Ratio	Incr. or Decr. in Premises	BI Earned Premises	PDL Earned Premises	PHD Earned Premises	1954 Loss Premises \$000 Omitted	1954 Loss Premises	1954 Loss Premises	1954 Loss Premises	
	\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	%
Horace Mann, Ill.	1,213,062	579,437	47.8	186,791	369	192	651	1,026,271	46.9			
Ideal Mut., N. Y.	1,309,001	532,674	40.9	156,270	920	388	.....	1,152,731	44.3			
Impl. DL, N. D.	540,492	244,296	45.2	-30,133	4	2	533	570,265	43.8			
Ind. Frmr. Mut.	203,333	133,969	65.5	115,617	58	33	110	87,716	61.1			
Ind. Lumbermens	6,779,890	3,271,358	48.3	941,094	2,929	1,477	2,372	5,838,796	40.4			
Inland Mt., W. Va.	1,338,418	562,106	42.3	-194,631	732	563	42	1,533,049	44.7			
Integrity Mt., Wis.	810,069	478,047	59.0	98,167	411	169	228	711,902	43.7			
Interboro M. I. N.Y.	2,120,884	978,401	46.1	-177,356	1,437	536	147	2,298,240	46.1			
Iowa Farm Mut.	9,038,251	4,743,422	52.4	386	2,334	1,204	5,497	9,037,865	51.1			
Ia. Hardware Mut.	914,460	485,976	53.1	122,718	315	218	379	791,742	52.2			
Ky. Farm Bur. Mut.	2,869,785	1,971,095	68.8	102,455	1,123	694	1,051	2,767,330	56.3			
Lawn Mut., Pa.	1,186,318	610,842	51.6	238,056	252	186	747	946,262	73.2			
LeMars Mut., Ia.	1,079,797	532,281	50.5	795,692	1,917	1,142	1,554	3,819,334	43.5			
Liberty Mut. Fire	6,257,918	3,884,450	62.0	-113,712	3,711	1,628	1,258	6,371,630	59.5			
Liberty Mutual	68,952,462	36,313,966	52.6	-93,552	37,391	18,059	13,501	69,046,014	51.1			
Lincoln M. C. N. J.	818,815	463,416	59.0	112,934	515	303	.....	705,881	58.1			
Lincoln Mut. Mich.	991,163	523,742	52.7	174,345	339	278	372	816,816	50.1			
Lumb. Mut. Cas.	65,143,834	31,151,157	47.7	-793,461	35,677	17,057	12,406	65,937,295	40.1			
Lumber Mut. Fire	619,264	320,441	51.7	183,908	89	42	487	435,365	45.4			
Madison Co., Ill.	1,114,172	590,810	53.1	26,082	264	141	708	1,088,096	60.0			
Market Mens. Mut.	930,046	426,892	45.8	329,893	462	191	275	600,153	57.7			
Mem. Mut., Dallas	1,241,990	532,023	42.9	153,645	275	225	740	1,088,345	41.1			
Merch Mut. Cas.	12,855,093	6,028,758	47.0	601,394	8,593	3,517	744	12,253,699	41.3			
Meridian Mutual	5,134,281	2,884,560	56.2	68,842	1,700	1,236	2,196	5,065,439	45.1			
Mich. Millers Mut.	1,466,833	732,904	53.6	399,718	265	195	1,005	1,067,115	51.6			
Mich. Mut. Auto.	1,640,224	810,769	49.4	5,519	374	455	810	1,634,705	50.1			
Mich. Mut. Liab.	16,944,591	8,662,523	51.2	-681,718	6,656	4,564	5,721	17,626,308	51.9			
Midwest, Ia.	109,033	60,734	55.6	-158,206	33	28	46	267,239	52.0			
Milbank Mut., S.D.	360,426	291,152	80.8	282,209	148	82	128	78,217	15.2			
Millers M. F. Tex.	3,241,709	1,922,118	39.8	271,477	1,250	748	1,242	2,970,232	38.0			
Millers Mut., Ill.	1,040,380	414,738	39.8	55,821	328	146	566	984,559	27.2			
Mill Owners M.F.	1,028,002	416,016	40.8	-122,436	392	212	422	1,150,438	52.2			
Milwaukee Auto	5,334,279	2,501,180	46.9	-78,548	2,875	1,155	3,412,627	44.1				
Minn. Farm Bur.	589,505	354,334	60.1	180,260	234	128	226	409,245	60.8			
Minn. Mut. F. & C.	1,120,203	561,748	50.1	55,616	415	250	454	1,064,587	43.7			
M. F. A. Mut.	11,767,917	6,680,567	57.0	5,008,746	4,401	2,754	4,612	6,759,171	68.3			
Mo. Mut. Cas.	101,117	47,648	47.2	-6,646	46	34	20	107,763	21.7			
Mo. Valley, S. D.	51,224	20,335	39.6	4,319	15	10	26	46,905	44.0			
Motorists Mut.	10,020,558	5,154,640	51.5	271,747	3,462	2,509	4,048	9,749,811	48.8			
Mount. States M.C.	231,989	158,093	68.3	-24,269	71	51	109	256,258	42.5			
Mount. States, N.M.	137,177	60,296	49.3	31,884	61	42	33	105,293	25.2			
Mutual Auto. Wis.	1,869,693	1,086,209	58.1	-143,627	905	413	550	2,013,320	48.6			
Mutual Ben. Pa.	462,742	163,140	35.3	4,897	286	238	368	810,982	46.8			
Mut. Fire & Auto	894,017	458,937	51.3	83,035	309	33	35	82	46.0			
Mut. Ser. Cas.	8,626,821	5,224,550	60.5	888,708	4,137	1,814	2,674	7,738,112	50.9			
Nat. Grange Mut.	11,960,167	7,320,333	61.5	71,132	7,111	3,149	1,699	11,885,033	43.1			
National Mut. D.C.	777,408	490,124	63.0	64,788	463	267	46	712,620	43.0			
Natl. Mut., Mich.	167,532	48,708	29.2	5,070	117	50	162,462	64.8				
Nationwide Mut.	112,308,574	68,504,338	61.1	415,097	51,063	28,089	33,155	111,893,477	56.0			
N. Y. Mut. Cas.	2,410,904	1,396,912	57.6	-71,380	1,608	634	168	2,482,284	64.0			
N. Y. P. & Book.	201,927	166,152	82.6	19,541	152	49	.....	182,386	32.2			
Nodak Mut., Fargo	810,570	489,938	60.4	-44,380	144	75	590	854,950	55.3			
Northern Cas., Ia.	357,915	182,165	51.0	185,591	72	48	237	172,324	29.4			
Oklahoma Farm Bur.	2,985,781	1,805,511	60.4	159,813	764	371	1,850	2,825,968	63.6			
Ore. Farm Bur.	110,356	234,619	121.3	.....	43	23	43	.....	.....	
Pa. Millers	16,805	10,443	61.9	5,182	2	.....	14	11,623	35.2			
Penn. Mut. Indem.	Figures not available											
Pa. T. & F. Mut. Cas.	11,634,928	6,255,800	53.9	382,946	5,892	3,927	1,814	11,251,982	51.6			
Pioneer Mut. Cas.	1,067,867	406,518	38.3	553,780	375	508	184	514,087	44.6			
Pioneer Mut., Mass.	683,156	478,391	55.4	-33,572	543	320	896,728	40.7				
Pref. Risk, Ia.	5,915,156	3,242,935	54.7	2,421,247	2,222	1,476	2,215	3,484,268	45.7			
Progressive Mut.	2,783,569	1,424,523	51.9	292,518	309	333	2,140	2,491,051	49.4			
Protect. Fire, Neb.	157,774	70,324	44.7	5,634	39	35	82	152,140	47.1			
Prudential Mut. Cas.	442,378	210,988	47.5	-157,025	237	129	76	599,403</				

	1955	1954		1955	1954		1955	1954		1955	1954
	Prem.	Prem.		Prem.	Prem.		Prem.	Prem.		Prem.	Prem.
	\$	\$		\$	\$		\$	\$		\$	\$
Pa. Thrs. M.C.	11,634,928	11,251,982	Fmrs. & Merch.	1,837	—14	Amer. Equitable	1,345,824	1,404,913	Agricultural Ins.	312,362	257,994
Pa. Thrs. & Fmrs.	848,494	1,764,959	Tri-State	3,436,332	3,310,263	Globe & Republic	504,684	500,000	Agricultural Ind.	169,692	147,215
Total	12,483,422	13,016,941	Midwestern	799,549	764,289	New York Fire	616,836	643,918	Total	482,654	405,269
Hawkeye-Sec.	3,150,481	2,958,839	Atlantic Mut.	4,038,409	3,942,418	Prudential	187,354	187,354	Universal	1,921,910	1,771,401
Industrial, Iowa	5,708,893	5,185,960	Centennial	188,072	120,124	Skandia	149,883	149,883	Eagle Star	377,685	162,112
Northeastern	3,420,202	3,386,659	Total	4,237,718	4,074,534	Hudson	37,470	65,150	Total	2,803,800	2,400,059
Erie	52,983	52,983	Seaboard F. & M.	374,210	392,956	Union & Phenix	28,397	53,007	Urbaine	732,364	336,781
Total	12,333,556	11,531,398	Yorkshire	3,740,272	3,661,532	Unity	34,189	53,025	Suburban Cas.	1,512,740	1,452,128
General Reins.	11,140,745	9,550,368	Total	4,114,482	4,054,488	Total	2,245,104	1,788,909	Total	2,299,595	1,933,513
North Star Reins.	936,748	803,006	American Gen.	4,067,771	4,070,469	Nat. F. & M.	83,403	92,696	Pioneer	1,921,910	1,771,401
Total	12,077,493	10,353,374	Nat'l. Stand.	4,067,771	4,070,469	Nat. Indem.	1,764,293	1,789,345	Suburban Cas.	377,685	162,112
N.A.C. & S. Re.	6,098,762	7,288,890	Total	4,067,771	4,070,469	Total	1,847,696	1,882,041	Total	2,299,595	1,933,513
Swiss Reins.	5,529,688	4,171,555	Agricultural	3,125,447	3,336,914	New Zealand	1,555,056	1,019,721	Miller's Natl.	220,575	213,880
N.A.F. & M. Re.	256,003	193,129	Empire State	781,361	634,229	South British	123,414	5,414	Illinois Fire	85,647	48,123
Total	11,884,453	11,653,574	Total	3,906,808	4,171,143	Total	1,678,470	1,028,135	Total	306,322	262,003
Fire Assn.	8,901,115	7,277,373	Hanover	3,883,251	3,982,932	Scottish Union	1,049,899	1,304,564	American Title	163,241	109,701
Reliance	1,780,222	1,819,629	Fulton	3,883,251	3,982,932	Amer. Union	565,330	702,458	Baloise Fire	56,923	24,762
Eureka Cas.	1,186,814	2,875,238	Total	3,883,251	3,982,932	Maritime	24,359	25,803	Reliable Fire	56,664	12,064
Total	11,868,151	11,972,240	Total	1,639,588	2,082,825	Total	282,440	146,527	Swiss National	5,612	5,612
Boston	8,231,636	8,220,604	Pearl Assur.	1,606,867	1,631,811	Norwich Union	843,553	735,795	Southland Lloyds	136,019	139,699
Old Colony	3,527,845	3,533,116	Eureka-Security	1,357,381	1,385,286	Eagle, N. Y.	791,207	723,986	Internat'l. Lloyds	102,305	137,562
Boston Indem.	.....	.....	Monarch Fire	420,881	429,424	Total	1,634,760	1,435,781	Total	238,324	277,261
Total	11,759,481	11,753,739	Balboa	3,152,951	1,972,980	Republic, Texas	1,536,534	1,297,506	Constellation	112,288	200,359
Fidelity Mut.	3,884,086	3,788,676	Arrowhead	225,596	131,717	Vanguard	3,378,547	2,104	Nordisk Re.	1,462	836
Ind. Lumb.	6,779,890	5,838,796	Total	3,378,547	2,104,697	Total	1,348,715	1,937,548	Lion Fire	1,320	1,603
Total	10,663,976	9,627,472	State of Pa.	776,723	863,864	Total	1,639,588	2,082,825	Total	115,070	202,798
Pennsylvania	1,557,758	1,712,844	Amer. Home	2,590,546	2,744,621	Northern Eng.	618,314	1,090,802	Allstate Promotions, Changes		
North British	1,437,931	1,581,087	Total	3,367,269	3,608,484	Albany	247,663	272,701	The following home office appointments have been made by Allstate:	Rodney B. Gabler has been appointed financial control director; Clarence J. Delph has been made assistant auditing director; D. W. Bannister is associate actuary, Charles M. Boyles was made contract attorney, and Warren A. Kemper becomes a staff assistant in auto insurance development.	
Commonwealth	718,965	790,543	Quaker City F. & M.	372,152	336,281	Atlas, Eng.	161,314	1,090,802	Rodney B. Gabler has been appointed financial control director; Clarence J. Delph has been made assistant auditing director; D. W. Bannister is associate actuary, Charles M. Boyles was made contract attorney, and Warren A. Kemper becomes a staff assistant in auto insurance development.		
Mercantile	718,965	790,543	Total	3,350,757	3,175,273	Am. Mar. & Gen.	113,668	11,178	Louis J. Iott has been appointed field audit director of the east central zone.	William H. Crewe was made district sales manager at Roanoke while Jack Hale assumed similar duties at Pasadena.	
Homeland	359,482	395,271	London Assur.	787,414	831,095	Reins. Corp. of N. Y.	676,595	603,478	William H. Crewe was made district sales manager at Roanoke while Jack Hale assumed similar duties at Pasadena.	William H. Crewe was made district sales manager at Roanoke while Jack Hale assumed similar duties at Pasadena.	
Cent. Sur.	5,439,157	5,425,312	Total	3,350,757	3,175,273	Nat. Reins.	167,921	126,663	Reins. Corp. of N. Y.	676,595	603,478
Cent. Sur. Fire	.....	.....	Manhattan F. & M.	337,462	356,183	Total	1,344,183	1,412,847	Nat. Reins.	844,516	734,141
Ocean Marine	.....	.....	Guarantees	2,025,707	2,090,658	Caledonian	419,088	450,718	Capital Fire, N. H.	.....	.....
Total	10,532,558	10,695,600	Total	3,150,583	3,277,934	Caledonian-Amer.	105,351	113,498	Unds. Fire, N. H.	.....	.....
N.W. Nat. Cas.	6,757,089	6,758,416	Twin States	2,356,071	1,951,679	Netherlands	175,525	187,799	Phenix Mutual	195,128	180,105
Northwestern Nat.	3,290,656	3,378,748	South States	692,315	642,824	Total	699,991	732,015	State Fire (Mut.)	292,692	270,158
Total	10,047,745	10,137,164	Total	3,048,386	2,594,503	Mfrs. & Merch. Mut.	487,820	450,363	Total	487,820	450,363
Pacific, N. Y.	3,888,323	4,100,273	Baltimore	1,224,323	1,246,834	Car & General	1,609,379	2,416,834	Propane Haulers	.....	.....
Bankers & Ship.	3,414,137	3,600,239	Am. Indem.	622,992	866,251	Royal Exchange	628,992	866,251	Mobile X-Ray Units	.....	.....
Jersey	2,181,255	2,300,152	Provident	621,452	714,735	Phenix Mutual	195,128	180,105	Morticians Liability	.....	.....
Total	9,483,715	10,000,664	State, England	3,518	6,223	State Fire (Mut.)	292,692	270,158	Motor Bikes	.....	.....
Northern, N. Y.	7,939,129	6,721,170	Total	3,863,341	4,004,043	Mfrs. & Merch. Mut.	487,820	450,363	Motor Busses	.....	.....
Assurance, N. Am.	1,407,021	1,392,959	Pan Amer. F. & C.	1,702,474	1,581,788	Total	487,820	450,363	Motorcycles	.....	.....
Autoplan	.....	.....	Pan Amer.	1,215,635	902,802	Total	616,455	620,868	Motor Scooters	.....	.....
Total	9,346,150	8,114,129	Total	2,918,100	2,484,588	Nurses	.....	.....	Nursing Homes	.....	.....
London & Lanc. Ind.	5,268,787	5,095,337	Capital Fire, N. H.	.....	.....	Non-Standard Autos	.....	.....	Non-Standard Autos	.....	.....
Standard Marine	859,391	935,768	Unds. Fire, N. H.	.....	.....	Opticians	.....	.....	Opticians	.....	.....
London & Lanc.	990,896	1,075,163	Phenix Mutual	195,128	180,105	Osteopaths	.....	.....	Osteopaths	.....	.....
Orient	644,083	679,050	State Fire (Mut.)	292,692	270,158	Owners-Landlords-Tenants	.....	.....	Owners-Landlords-Tenants	.....	.....
Safeguard	272,496	282,939	Mfrs. & Merch. Mut.	487,820	450,363	Physicians Malpractice	.....	.....	Physicians Malpractice	.....	.....
Law Union & Rock	222,951	226,355	Total	3,863,341	4,004,043	Physiotherapists	.....	.....	Physiotherapists	.....	.....
Marine, Eng.	1,085,632	1,229,723	Total	3,863,341	4,004,043	Premium Financing	.....	.....	Premium Financing	.....	.....
Total	9,345,236	9,534,335	Total	3,863,341	4,004,043	Private Autos	.....	.....	Private Autos	.....	.....
Trinity Un.	8,993,991	8,700,366	Total	3,863,341	4,004,043	Produce Haulers	.....	.....	Produce Haulers	.....	.....
Secur. Natl.	19,413	43,000	Total	3,863,341	4,004,043	Products Liability	.....	.....	Products Liability	.....	.....
Total	9,013,404	8,700,366	Total	3,863,341	4,004,043	Professional Malpractice	.....	.....	Professional Malpractice	.....	.....
Empl. Cas., Dallas	8,938,392	8,577,379	Total	3,863,341	4,004,043	Propane Haulers	.....	.....	Propane Haulers	.....	.....
Empl. Nat., Dallas	1,765	258	Total	3,863,341	4,004,043	Public Vehicles	.....	.....	Public Vehicles	.....	.....
Total	8,940,157	8,577,637	Total	3,863,341	4,004,043	Rest Homes	.....	.....	Rest Homes	.....	.....
Trinity & Lanc.	.....	.....	Total	3,863,341	4,004,043	Riding Stables	.....	.....	Riding Stables	.....	.....
Total	8,904,157	8,577,637	Total	3,863,341	4,004,043	Rodeos	.....	.....	Rodeos	.....	.....
Beauty Shop	.....	.....	Total	3,863,341	4,004,043	Roller Skating Rinks	.....	.....	Roller Skating Rinks	.....	.....
Blasting Operators	.....	.....	Total	3,863,341	4,004,043	Scalp Treatments	.....	.....	Scalp Treatments	.....	.....
Blood Banks	.....	.....	Total	3,863,341	4,004,043	Shooting Galleries	.....	.....	Shooting Galleries	.....	.....
Bob Tail Coverage	.....	.....	Total	3,863,341	4,004,043	Sporting Events	.....	.....	Sporting Events	.....	.....
Bowling—300 Game	.....	.....	Total	3,863,341	4,004,043	Surplus Lines	.....	.....	Surplus Lines	.....	.....
Building Wreckers	.....	.....	Total	3,863,341	4,004,043	Swimming Pools	.....	.....	Swimming Pools	.....	.....
Butane Haulers	.....	.....	Total	3,863,341	4,004,043	Taxicabs	.....	.....	Taxicabs	.....	.....
Carnivals	.....	.....	Total	3,863,341	4,004,043	Tractor Trailer Units	.....	.....	Tractor Trailer Units	.....	.....
Chiropodists	Total	3,863,341	4,004,043	Tree Surgeons	Tree Surgeons
Chiropactors	Total	3,863,341	4,004,043	U Drive It Cars	U Drive It Cars

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1955 Experience of STOCK FULL COVER Insurers on Automobile Writings

(CONTINUED FROM PAGE 40)

	1955			BI Prem.	PDL Prem.	PHD Prem.	1954 Earned Prem.	1954 Loss Prem.	1954 Loss Ratio
	Total Earned Prem.	Incurred Losses Prem.	Loss Ratio						
	\$	\$	%	\$	\$	\$	\$	\$	%
Empire F.&M.	260,072	140,392	53.8	122	83	44	771	834,229	49.4
Empire State	781,361	384,660	48.5	52,868	6	2	771	834,229	49.4
Empl. Cas., Tex.	8,938,392	3,986,125	44.6	361,013	3,889	2,173	2,874	8,577,379	45.9
Employers Fire	4,188,164	1,996,635	47.5	328,275	446	258	3,483	4,516,439	37.4
Employers, All.	1,136,762	436,951	38.6	125,571	466	235	385	1,262,333	27.2
Employers, Liao.	23,767,429	11,450,919	49.1	696,412	13,798	7,246	2,722	23,071,477	47.8
Empl. Nat., Tex.	1,765	196	11.1	1,507	—	—	—	—	258
Employers Re.	7,900,150	3,304,586	41.7	911,906	7,020	547	332	6,988,244	53.8
Equit. F.&M.	1,114,977	661,004	59.5	57,772	183	99	832	1,172,749	50.0
Erle	52,983	41,381	78.0	—	19	11	21	—	—
Estate, Cal.	147,748	98,309	66.8	23,445	48	28	70	124,303	64.8
Eureka, Etc.	1,186,814	581,052	49.3	—1,688,424	352	202	631	2,875,238	44.2
Eureka-Sec. F.&M.	1,357,381	629,978	46.6	—27,905	4	3	1,348	1,385,286	40.4
Equity Gen., Fla.	56,923	36,083	63.3	32,161	21	11	23	1,045,504	36.3
Excel.	—	—	—	—1,045,504	—	—	—	—	—
Exchange Assn., Ill.	1,050,993	730,645	69.5	—309,534	675	317	58	1,360,527	49.4
Fmrs. & Merch.	1,837	701	38.3	1,851	—	—	—	—	—14
Fmrs. Equit., Ill.	14,181	1,674	11.8	—	6	2	5	—	—
Federal	17,463,253	8,048,165	46.1	—575,198	5,409	2,408	9,844	18,038,451	45.0
Fidelity & Cas.	58,037,50	35,010,053	60.3	—2,532,298	39,096	18,941	—	60,569,948	54.5
Financial Indem.	2,498,697	861,223	34.6	—678,624	346	239	1,912	3,177,321	33.3
Fire & Cas., Conn.	1,235,186	783,547	63.6	—	—	—	—	—	—
Fire Assn.	8,901,115	4,357,910	48.8	1,623,742	2,646	1,517	4,737	7,277,373	49.6
Fireman's Fd. Ind.	5,990,688	3,054,341	50.9	206,958	2,382	1,164	2,443	5,763,730	43.7
Firemen's Fund.	27,956,553	14,253,597	50.5	965,811	11,177	5,436	11,402	26,990,742	43.8
Firemen's, N. J.	19,243,332	11,054,325	57.3	—1,875,264	7,096	4,094	8,052	21,118,596	49.5
Founders, Cal.	2,087,779	903,953	42.4	440,496	856	418	813	1,647,283	37.7
Frankl. Cas., Okla.	181,270	86,631	47.8	—50,289	34	28	117	231,559	39.3
Franklin Natl.	1,225,316	667,459	54.7	26,646	394	221	605	1,198,670	50.3
Freeport	5,267,995	2,632,871	49.9	442,865	1,957	1,152	2,157	4,825,130	41.8
Frontier, Colo.	782,9079	523,154	66.8	—26,644	—	782	—	809,623	50.1
General Acc.	38,789,286	18,626,097	48.1	432,051	22,241	11,327	5,220	38,357,235	46.7
Gen. Bonding	1,494,312	662,951	44.4	32,751	300	235	928	1,461,561	46.7
Gen. Cas., Wash.	22,041,280	10,521,793	47.6	—757,723	14,301	7,733	5	22,799,003	40.9
General Cas., Wis.	7,547,280	3,463,665	45.9	—194,619	3,393	1,705	2,448	7,741,899	44.1
Gen. E. & C.	8,443,590	5,167,891	61.2	206,862	6,552	1,810	80	8,236,728	65.7
Gen. Guar., Fla.	403,934	202,833	50.1	116,101	193	79	131	287,833	38.5
General, N. Y.	222	34	15.3	—	—	—	—	—	—
General, Tex.	1,742,306	1,061,242	60.9	—14,998	768	435	538	1,757,304	42.1
General Reins.	11,140,745	6,039,209	54.2	1,590,377	7,693	2,543	903	9,550,368	38.3
Gen. Security	1,115,287	683,629	61.5	618,207	378	219	517	498,070	69.9
Georgia Cas.	1,432,285	643,083	44.9	—128,352	447	321	664	1,561,177	51.8
Gerling Int'l., Del.	149,838	102,506	68.4	54,017	—	149	—	95,821	55.4
Girard, Pa.	2,010,496	1,154,928	57.3	—195,932	741	427	841	2,206,428	49.5
Glens Falls Ind.	9,188,261	4,797,713	52.2	—271,253	4,227	2,108	2,852	9,459,514	47.6
Glens Falls	—	—	—	—	—	—	—	—	—
Globe Indem.	10,871,370	6,004,081	55.6	—2,975,600	5,559	2,756	2,554	12,846,970	53.9
Govt. Employees	24,200,851	11,342,782	46.7	2,569,270	9,954	2,626	9,320	21,631,581	43.6
Granite State	960,175	505,903	52.6	—37,105	72	36	850	997,280	47.7
Gr. Am. Indem.	20,059,415	11,458,227	57.1	266,175	13,361	6,305	392	19,793,240	53.2
Guaranty Nat.	43,990	10,462	23.7	—	8	6	29	—	—
Great Tex.	15,505,690	7,702,338	49.6	—565,638	3,667	1,824	10,013	16,071,328	45.8
Great Northern	3,421,185	1,754,712	51.2	237,124	1,388	683	1,349	3,184,061	48.7
Gr. South. F. & C.	134,737	57,258	42.7	7,847	42	28	63	126,890	40.1
Guarante, Cal.	2,025,707	1,059,076	52.0	—64,949	838	501	685	2,090,656	51.6
Guaranty F. & M.	—	—	—	—	—	—	—	662,139	70.9
Out of business	—	—	—	—	—	—	—	—	—
Hawkeye Security	3,150,481	1,337,240	42.2	191,642	1,110	789	1,250	2,958,839	41.0
Highway Cas.	916,557	709,810	77.3	142,921	419	252	244	773,636	69.4
Home F. & M.	5,990,688	3,054,341	50.9	206,958	2,382	1,164	2,443	5,763,730	43.7
Home Indem.	19,429,412	10,211,695	52.6	—192,209	12,695	6,532	201	19,621,621	46.6
Home	18,860,711	9,280,718	49.4	—55,829	1	18,858	19,416,540	43.5	
Home, Hawaii	907,410	298,092	32.8	35,410	356	207	343	872,000	27.8
Hoosier Cas.	2,661,727	1,157,686	43.2	—189,807	906	706	1,049	2,851,534	34.0
Houston Am.	1,033,488	626,843	64.3	370,727	406	270	356	662,761	47.1
Houston F. & C.	4,371,999	2,331,831	53.3	591,662	1,790	1,121	1,460	3,780,337	46.8
Houston Nat.	15,876	7,093	44.8	—	5	3	6	—	—
Hudson	37,470	25,235	67.3	—27,690	—	—	38	65,150	124.4
III. National	5,314,363	2,599,770	48.7	95,626	1,909	1,335	2,069	5,218,737	48.5
Ind. of N. A.	35,181,676	19,123,668	54.2	65,514	20,823	10,935	3,560	35,253,162	53.6
Indiana	6,339,016	3,208,056	50.5	346,542	1,933	1,611	2,793	5,992,474	41.5
Industrial Indem.	1,903,882	1,263,797	66.4	1,295,755	857	434	611	607,327	65.9
Industrial, Iowa	5,706,893	2,351,207	41.2	522,993	—	—	5,708	5,185,900	44.0
Inland Emp.	—	—	—	—	—	—	—	890,139	49.8
Ins. Co. of N. A.	15,823,251	7,153,444	45.4	—48,528	3,262	1,361	11,197	15,871,779	45.1
Ins. Co. of S.	71,268	27,710	38.8	—	24	15	31	—	—
Ins. Co. State of Pa.	776,723	375,020	48.3	—87,140	66	54	655	863,863	17.2
ICT	3,747,946	2,364,635	62.0	277,405	1,316	809	1,612	3,470,441	55.3
Ins. Corp. of Am.	193,536	63,281	32.7	—	—	—	192	—	—
Insurors Corp.	—	—	—	—	—	—	—	12,655	—
Insurors Indem.	2,035,959	1,145,071	56.2	650,181	715	462	857	1,385,778	46.5
Intl. Service, Tex.	4,078,444	2,095,775	51.3	416,234	1,191	862	2,204	3,662,210	45.9
Inter-Ocean Re.	102,625	61,965	60.6	—5,115	10	5	86	107,940	31.4
Interstate F. & C.	394,712	178,815	45.2	282,637	184	67	143	112,075	53.5
Interstate Ind.	1,773,371	1,095,710	61.6	—118,898	735	467	570	1,907,429	49.6
Jersey	2,181,255	1,092,448	50.0	—118,897	13	6	2,161	2,300,152	43.

1955												1955																			
Total			Incr. or			BI			PDL			PHD			1954			BI			PDL			1954							
Earned	Incurred	Loss	Decr. in	Earned	Earned	Decr. in	Earned	Earned	Decr. in	Earned	Earned	Decr. in	Earned	Loss	Decr. in	Earned	Decr. in	Earned	Decr. in	Earned	Decr. in	Earned	Decr. in	Earned	Decr. in						
Prems.	Losses	Ratio	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.	Prems.						
\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$						
Milwaukee Ins. ...	5,457,064	3,134,908	57.4	—531,816	2,012	1,161	2,283	5,989,880	49.5	Traders & Gen. ...	4,816,494	2,014,754	41.7	—218,124	1,807	1,159	1,648	5,034,618	49.5	Traders & Gen. ...	4,816,494	2,014,754	41.7	—218,124	1,807	1,159	1,648	5,034,618	49.5		
Monarch Fire. ...	420,881	194,759	46.2	8,543	1	1	418	429,424	40.3	Transatlantic Re. ...	20,867	15,017	72.1	—14,647	13	5	1	35,514	22.8	Transatlantic Re. ...	20,867	15,017	72.1	—14,647	13	5	1	35,514	22.8		
Motor Veh. Cas. ...	4,118,268	1,870,027	45.4	121,481	1,627	966	1,523	3,996,787	40.8	Transcontinental ...	1,225,316	667,459	54.6	23,646	398	221	805	1,201,670	50.1	Transcontinental ...	1,225,316	667,459	54.6	23,646	398	221	805	1,201,670	50.1		
Mountain Standard ...	20,365	3,234	15.9	—12,069	6	5	32	3,434	59.2	Transit Cas. ...	4,654,613	2,436,278	52.2	781,458	3,750	729	174	3,873,155	57.0	Transit Cas. ...	4,654,613	2,436,278	52.2	781,458	3,750	729	174	3,873,155	57.0		
Natl. Auto. & Cas. ...	6,939,96	4,196,222	60.7	—119,604	2,869	1,699	2,339	7,028,700	54.4	Trans-Pacific ...	Out of business									Trans-Pacific ...	Out of business										
Natl.-Ben Frank. ...	2,010,496	1,154,928	57.2	—195,932	741	427	841	2,206,428	49.5	Transport Indem. ...	5,732,636	3,009,559	52.4	683,294	3,337	1,837	557	5,049,342	36.1	Transport Indem. ...	5,732,636	3,009,559	52.4	683,294	3,337	1,837	557	5,049,342	36.1		
Nat Capital ...	11,890	3,479	29.4	—3,349	—	11	15,239	39.7	Travelers Indem. ...	89,656,785	41,764,682	46.5	845,304	11,312	46,102	32,241	88,802,479	45.0	Travelers Indem. ...	89,656,785	41,764,682	46.5	845,304	11,312	46,102	32,241	88,802,479	45.0			
National Cas. ...	269,933	192,070	71.4	129,217	76	65	128	140,716	34.2	Travelers ...	83,746,552	52,345,626	62.4	2,965,083	83,746	1,261	80,781,470	52.4	Travelers ...	83,746,552	52,345,626	62.4	2,965,083	83,746	1,261	80,781,470	52.4				
Nat Fmr. Un. ...	5,471,318	2,296,804	41.8	535,314	1,873	1,100	2,397	1,936,004	46.4	Trinity Universal ...	8,993,991	3,646,707	40.5	293,625	3,388	2,083	3,522	8,700,366	35.4	Trinity Universal ...	8,993,991	3,646,707	40.5	293,625	3,388	2,083	3,522	8,700,366	35.4		
Nat Fidelity, S. C. ...	1,362,570	624,261	45.9	492,006	400	270	691	870,564	43.7	Traders & Gen. ...	4,816,494	2,014,754	41.7	—218,124	1,807	1,159	1,648	5,034,618	49.5	Traders & Gen. ...	4,816,494	2,014,754	41.7	—218,124	1,807	1,159	1,648	5,034,618	49.5		
Nat F. & M., Neb. ...	83,403	36,941	44.2	—9,293	20	12	50	92,696	62.9	Truckmen's ...	162,406	61,702	38.1	—	108	42	11	—	—	Truckmen's ...	162,406	61,702	38.1	—	108	42	11	—	—		
National Fire ...	19,605,091	10,679,385	54.1	426,358	6,393	3,536	9,685	19,178,733	50.3	Union, Eng. ...	371,934	168,779	45.2	—	7	364	370,893	39.7	Union, Eng. ...	371,934	168,779	45.2	—	7	364	370,893	39.7				
Nati. Indem., Neb. ...	1,764,293	730,428	41.4	—25,052	781	442	539	1,789,345	45.7	United Benefit Fire ...	411,504	305,937	74.0	—	8,490	209	112	89	419,994	74.0	United Benefit Fire ...	411,504	305,937	74.0	—	8,490	209	112	89	419,994	74.0
National Re. ...	167,921	112,384	67.0	41,258	8	2	156	126,663	70.0	United F. & C. Ia. ...	1,789,265	735,725	41.4	96,378	668	437	683	1,692,887	23.7	United F. & C. Ia. ...	1,789,265	735,725	41.4	96,378	668	437	683	1,692,887	23.7		
National Surety ...	11,095,007	9,662,110	54.2	3,394,613	5,192	2,862	3,040	7,700,394	50.5	United Pacific ...	Out of business									United Pacific ...	Out of business										
Natl.-Ben Indem. ...	492,586	269,149	54.6	103,726	132	86	273	388,860	46.6	Vanguard, Dallas ...	2,206,453	2,455,477	51.1	—	128,787	308	261	22	720,245	59.0	Vanguard, Dallas ...	2,206,453	2,455,477	51.1	—	128,787	308	261	22	720,245	59.0
National Union ...	5,840,695	3,191,352	54.6	396,642	1,570	1,025	3,244	5,444,053	46.6	Vigilant ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5	Vigilant ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5		
New Amster. Cas. ...	24,460,510	14,098,871	57.4	7,033	14,618	7,624	2,045	24,455,477	51.1	Virginia F. & M. ...	1,402,750	766,554	54.6	10,699	717	355	329	1,232,057	51.3	Virginia F. & M. ...	1,402,750	766,554	54.6	10,699	717	355	329	1,232,057	51.3		
Newark ...	4,699,237	2,567,246	54.5	485,413	2,403	1,191	1,104	4,213,824	51.0	Virginia Surety ...	87,534,245	46,151,175	52.7	2,055,455	40,845	22,586	24,102	85,478,790	48.4	Virginia Surety ...	87,534,245	46,151,175	52.7	2,055,455	40,845	22,586	24,102	85,478,790	48.4		
New England ...	852,837	422,764	49.1	—44,526	202	97	562	907,363	45.3	Wabash F. & C. ...	222,330	182,150	82.0	9,131,981	152	24	45	90,349	50.0	Wabash F. & C. ...	222,330	182,150	82.0	9,131,981	152	24	45	90,349	50.0		
Newfoundland ...	758,503	326,277	43.0	195,101	266	121	349	563,402	49.7	West American ...	1,028,310	461,943	45.2	—207,075	456	246	325	1,235,385	44.9	West American ...	1,028,310	461,943	45.2	—207,075	456	246	325	1,235,385	44.9		
New Hampshire ...	3,404,262	1,793,673	52.6	—131,552	257	130	3,015	3,535,814	47.3	Westchester ...	3,371,036	1,793,449	53.1	150,509	709	278	933	1,771,401	46.3	Westchester ...	3,371,036	1,793,449	53.1	150,509	709	278	933	1,771,401	46.3		
N. J. Mfrs. Cas. ...	62,327	—63,500	—	2,016	48	14	60,311	—	Western Alliance, Tex. ...	41,074,183	21,493,957	51.8	10,098	3,222	403	325	4,860,511	44.3	Western Alliance, Tex. ...	41,074,183	21,493,957	51.8	10,098	3,222	403	325	4,860,511	44.3			
N. J. Mfrs. Indem. ...	7,296,028	3,409,620	46.7	—1,327	4,259	2,325	171	6,758,416	51.1	Western Cas. ...	567,612	299,218	52.6	78,299	148	78	340	489,313	43.8	Western Cas. ...	567,612	299,218	52.6	78,299	148	78	340	489,313	43.8		
N. A. F. & M. Re. ...	6,093,762	3,264,084	53.5	—1,190,128	4,455	1,175	467	7,288,890	49.3	Western F. & I. ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5	Western F. & I. ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5		
N. A. F. & M. Re. ...	256,003	140,756	44.6	—1,190,128	4,455	1,175	467	7,288,890	49.3	Western Fire ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5	Western Fire ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5		
Northeastern ...	3,420,202	1,461,586	42.6	—33,543	1,091	777	1,551	3,386,654	46.6	Western Pacific ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5	Western Pacific ...	1,221,585	575,113	47.1	14,366	380	171	669	1,207,228	45.5		
Northern, England ...	1,220,515	80,615	75.7	—181,154	176	74	94	1,401,669	58.4	Western Pioneer, Cal. ...	1,176,762	575,255	44.6	17,167	575	255	20,118	66,129	37.4	Western Pioneer, Cal. ...	1,176,762	575,255	44.6	17,167	575	255	20,118	66,129	37.4		
Northern, N. Y. ...	7,939,129	3,801,975	47.9	—1,217,959	1,373	711	585	3,853	47.9	West Stand., Ind. ...	71,905	34,625	48.1	—	12	18	40	—	—	West Stand., Ind. ...	71,905	34,625	48.								

1955 AUTO REVIEW: COMPULSORY, COMPETITION, LOSSES

(CONTINUED FROM PAGE 43)

the rural areas.

One direct writer is finding it difficult to justify a 20% deviation in certain territories, and the matter of the soundness of its rates is up before at least one insurance department. Another specialty writer is suffering because its loss experience has gone beyond the point where its standard deviation will permit it to break even. It is tough for the company that builds its business on a standard percentage deviation when it no longer is able to write at that discount. However, the big operators take it pretty much in stride. If they are underwriting selectively, they don't mind increasing rates in territories where experience is lousy. They would just as soon not get any business from those areas at this time, anyway.

Deviations, discounts and dividends will be pounded by the deteriorating experience, and it may be that with agency companies more alert to competition in automobile than ever before, the tendency will be for their prices and those of their competitors to come a degree closer together.

One bright note in experience trends is that the \$50 comprehensive deductible was quite successful in bringing the experience back to normal in New York City area. It also had the effect of bettering the experience on the full cover comprehensive in New York City.

Thus, the deductible as an underwriting accessory obviously was used skillfully to produce the effect desired. It is being extended to other territories only where the comprehensive experience is so bad that rates must be increased beyond a reasonable point. For example, in certain areas, particularly in territories where there are a lot of gravel roads, glass claims have increased tremendously and the comprehensive policy has become practically a glass maintenance contract for automobile owners. The comprehensive deductible is being used in some of these territories in which glass claims have increased unduly.

Commercial car experience continues to improve, though here too there has been some indication that improvement has slowed. One thing corrected by rating procedure was that in large commercial units, particularly truck tractor and trailer, which were producing a disproportionate amount of loss in former days, are today paying their way.

On collision, there is still a drift to \$100 deductible, which has been encouraged by the rating of the deductibles to make the saving on the \$100 attractive. This amounts to as much as 40 to 45%, compared with the \$50 deductible. There may be a tendency for cars going out of finance to insure \$100 deductible instead of \$50 deductible. But in addition, some finance companies in some territories are asking for \$100 deductible instead of the \$50.

COMPETITION

Compulsory and experience may alter the character of competition in the days ahead, but they are not apt to reduce the tension. The two leading contenders for No. 1 position in the automobile field are stepping up their efforts, and other companies of all sizes and kinds are going to have to increase their exertion and probably improve their tactics in order to stay even. One

leading writer of automobile business showed a 47% increase in new automobiles insured in the first quarter of 1955.

The automobile business is becoming less and less a place for amateurs. Direct writers and specialty company competition is squeezing it from the top with aggressive sales on a price appeal. Compulsory at the very least brings every factor of cost into public spotlight. The floor of losses is rising.

If the development of specialty companies in the automobile field, which has characterized this line of insurance since automobile became a respectable large line, proves anything, it proves that the business for a long time has been one for experts. For a long time, and not just in recent years, it has demanded special attention, special handling. It is a business which cannot be handled with the left hand in order to get other business with the right hand.

For a good many years automobile casualty has not been a sure profit item which a company could decide to pick up and make a dollar. The record shows that a few companies, compared with all that have been writing it, have done consistently well. Two classes of companies have done well with it: The large insurers whose volume has meant a consistent five point or better advantage over average on the expense side, and the small companies that have operated in a compact territory, which meant lower expense and sharper underwriting. Even among these two classes, however, it has been the company that treated automobile with energy, intelligence and respect that has made its way. Many of these companies, though they have grown, still confine their operations chiefly to one state or one region. One insurer confines its operations to a selected list of counties in one state.

There are really a lot of amateurs in the automobile business. Some of them have been mauled in the past and will be mauled again.

The economy auto plans are not setting the country on fire, but they represent at least an interesting experiment by some of the insurers trying to keep up with the parade. One of the most important values in such plans, according to those who have launched them, is the collection of the money. This is perhaps the notable value of this kind of plan. Many of the plans are too "green" to assess their chances of succeeding.

In any consideration of the selling problem involved in automobile insurance, there could well be a point, or a forum, at which the product or its container, the policy, could be subjected to study to see if it could be brought more into accord with selling principles. Some of the companies operating independently may do this, though for the business generally there appears to be no review to see if, without doing violence to the other content of the product, its merchandising features could not be pointed up by adding sales appeal or eliminating features of sales resistance.

This might have been done, at least in one case, in connection with the study being made under the aegis of National Bureau of Casualty Underwriters of auto insurance marketing.

The "withdrawal" of the agents from the bureau study seems to reduce the possibility. Probably there was not too

much opportunity at this juncture of reaching the sales study anyway. After all, the bureau's primary responsibility is rating as a reflection of underwriting, and that responsibility would stamp the character of a marketing study under its sponsorship. On the other hand, agents have been pretty much concerned with their commission position, which is of course important to them, but does not bear on sales appeal.

Each—agent and bureau—has had a tendency to solve each other's problems and not its own, but undoubtedly that will change as time goes on. With greater need for the best that each can furnish in the days ahead, perhaps a closer cooperation will result. The relationship has improved over what it was in the past.

The future will call for a lot more energy, intelligence and tolerance than has been necessary heretofore. No one has all the answers, and even if he did have, he would require the full cooperation of many men with diverse interests to put them into effect. But the day ahead is one that surely calls for a willingness on the part of all—some have exhibited it and are exhibiting it—to consider honestly and with some generosity of spirit the possibility of improving their understanding and appreciation of other elements in the business and of modifying their position in accord with the facts.

SALES IDEAS

In several instances agents are making well planned and executed efforts to capture some of the PHD business on financed automobiles. One of these is the improved bank-agent plan devised by First National Bank of Boston. The Springfield (Mass.) National Bank now is using the plan, and it is working quite successfully for the bank and the agents in that territory.

The new element in this program is that the automobile buyer gets both the money to buy his car and insurance on it from the local agent. He has one stop before going to the dealer and paying cash for his automobile.

The bank, under this plan, equips the agent with the necessary material to close an automobile financing transaction at his desk, including the giving of a check to the prospective purchaser and drawing a check to his agency for whatever insurance the customer wants.

The trouble with the former bank-agent plan was that the prospective automobile purchaser made his financial arrangements with his bank. All the agent could do was to encourage a prospect to call at the bank. This was

often inconvenient geographically, or as a matter of time.

Connecticut Assn. of Insurance Agents which has had success with its 1955 campaign based on "You're a neighbor, not a number, to your hometown insurance agent," has a well planned program this year based on "You're the boss when you buy a car." The series of advertisements are designed for use by local boards and for incorporation in the advertising of the individual members. In addition to newspaper ads there are stickers, direct mail and other advertising material on the same theme.

The program features experiences of auto buyers who paid for twice as much insurance as needed, finance charge savings, the fact that the auto dealer only sells PHD and not BI and PDL, etc.

The agency of Dulaney, Johnson & Priest at Wichita has made a sales and service opportunity out of what many agencies regard as a chore—automobile assigned risk business.

As Howard N. Fullington puts it, "we have felt that the public deserves the services that are available to them from recognized agents. I can think of no poorer public relations than to keep saying to people 'well, you can't buy automobile liability and property damage insurance.'

"We have found in our community that a good many of the agents, as well as organizations such as Allstate and Farm Bureaus, have no time for the risk they cannot place direct. We have attempted to handle business that is qualified for the assigned risk plan and encouraged people to come to our office and permit us to process the application. We have even gone so far as to suggest to Allstate, for example, that they send those people to us who cannot qualify for their insurance.

"We have one secretary in the office who processes all of these applications and we find that handling such business is not time consuming or difficult. It is true we may not make a lot of money but at least we are telling people in our community that we do have a service office. In many instances, these applicants have other insurance to be written and some even qualify for our handling the automobile coverage direct with our market."

Mr. Fullington believes that every agent should make available to the public the facilities of the assigned risk plan as Dulaney, Johnson & Priest has done.

Worcester Agents Elect Raftery

Worcester, Mass., Board has elected Francis J. Raftery president to succeed Harold N. Knight and named Walter M. Conlin and James J. Marshall vice-presidents.

1955 Automobile Experience of LLOYDS Organizations

	1955			1954	1954			
	Total Earned Prem.	Incurred Losses	Loss Ratio		BI Earned Prem.	PDL Earned Prem.	PHD Earned Prem.	
	\$	\$	\$	\$	\$	\$	\$	%
Assoc. Em. Lloyds	130,168	132,865	100.2	—377,453	55	37	37	508,621
Central Tex. Lloyds	2,998,558	1,185,058	39.4	—120,643	—	—	2,999	3,120,231
Con. Lloyds, Tex.	142,717	74,326	52.3	—57,584	19	15	107	269,920
Int'l. Lloyds, Tex.	102,305	37,086	36.2	—35,257	18	33	49	137,562
Lloyds, N. M.	263,083	131,452	51.7	—59,718	—	—	263	203,365
Lloyds, N. Y.	50,467	10,743	21.2	—2,929	—	—	50	53,396
Lloyds, Austin	57,983	20,174	35.7	—2,347	—	—	57	60,330
London Lloyds, Ill.	1,332,558	816,735	61.4	—330,787	833	320	166	1,663,345
Lon. Lloyds, Ky.	216,721	103,754	47.7	—72,222	83	22	110	288,943
Nat. Lloyds, Tex.	26,622	7,169	26.9	4,485	9	7	8	22,137
Southern Lloyds	102,305	37,086	36.2	—35,257	18	33	49	137,562
Southland Lloyds	136,019	44,168	32.4	—3,680	19	48	68	136,699
South Tex. Lloyds	2,433,976	968,412	39.8	198,603	—	2,433	—	2,235,373
Univ. Lloyds Tex.	122,406	33,125	27.1	—46,850	87	34	—	169,256
Western Lloyds	105,411	62,437	59.4	—2,389	—	—	105	47.2
Totals	8,222,329	3,664,330	44.5	—824,592	1,152	549	6,501	—

MUTUAL FIRE Companies' Results on 1955 Automobile Business

	1955				1954				
	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.	
Abington, Mass.	282,702	135,270	47.9	8,529	274,173	97,607	35.6	9,670	
Am. Mfrs., N.Y.	1,597,265	446,499	28.1	-191,137	1,788,402	496,132	27.7	-300,654	
Amer. Mut. Re.	15,383	27,272	178.0	-93,804	109,187	70,050	64.1	105,435	
Atlantic, Ga.	88,145	36,235	41.1	-12,632	100,777	31,754	31.5	-3,624	
Attleboro, Mass.	62,323	35,042	56.1	1,013	61,310	42,900	69.9	5,587	
Auto. Mut., Mo.	232,776	109,853	46.9	86,512	146,264	56,039	38.3	34,893	
Auto. Mut., R. I.	1,690,230	540,266	31.8	125,988	1,584,242	1,350,758	86.3	52,717	
Bankers, D. C.	608,837	164,127	27.0	38,750	570,087	156,620	27.4	46,711	
Bankers, Pa.	Out of business				590,978	262,525	44.4	-2,899	
Berkshire, Mass.	946,604	401,518	42.4	-24,096	970,700	431,320	44.4	14,518	
Burlington, Vt.	83,049	37,639	40.4	5,984	87,065	30,257	34.7	1,396	
Cambridge, Mass.	476,853	226,000	47.2	-19,317	496,170	224,160	45.1	226	
Canton Coop.	57,368	39,469	68.2	2,798	54,582	26,094	47.8	.....
Capitol, Pa.	1,279,934	50,665	42.6	419,684	860,250	432,695	50.2	-304,258	
Carolina Mut.	92,963	33,200	36.8	-49,681	142,824	64,763	45.3	-36,727	
Carpenter, Pa.	92,742	33,366	35.9	-1,358	94,160	34,069	36.1	-27,164	
Central Mut., O.	2,929,106	983,375	34.0	-339,931	3,269,037	1,013,479	31.0	-297,911	
Citizens Fd., Minn.	41,586	27,769	66.7	6,568	35,018	15,627	44.6	10,939	
City Mut., Pa.	13,259	-137	.....	3,427	16,686	4,776	28.6	.....
Coastline, Md.	182,195	83,245	45.6	-18,104	200,299	119,493	59.6	27,174	
Coop. Catskill, N.Y.	48,696	29,780	61.0	-5,733	54,429	25,603	47.0	.....
Consumers, Minn.	34,720	15,337	44.6	-2,777	37,497	8,839	23.5	-4,856	
Dorchester, Mass.	99,303	35,418	35.7	227	99,076	60,620	61.1	7,415	
Druggists, Ia.	21,011	5,655	26.9	808	20,203	5,933	29.3	575	
Empl. M. Fire, Wis.	2,551,333	1,088,494	42.4	-150,994	2,702,347	969,245	35.8	-103,056	
Fmrs. Union, Colo.	Federal, Mass.	479,178	206,520	43.0	9,556	469,622	244,898	52.1	6,654
Fitchburg, Mass.	290,777	132,153	45.4	-4,635	295,412	131,915	44.6	13,857	
Globe Mut., Ohio	149,498	72,507	48.6	-38,027	186,717	89,716	48.0	81,425	
Grange Mut. Fire	5,874	3,251	55.4	.....	.....	.....	.....	.....
Grangers, Md.	127,194	61,505	48.4	-37,101	164,295	76,911	46.8	-20,708	
Granite, Pa.	6,475	55,464	61,939	21,319	34.4	-43,376	.....	.....
Granite, Vt.	93,712	35,542	37.9	-2,389	96,101	45,987	47.8	5,735	
Grt. Lakes, Wis.	130,983	52,492	40.3	6,806	124,177	51,715	41.6	28,944	
Green Mtn., Vt.	52,254	34,417	65.8	-2,420	54,674	25,978	47.5	9,486	
Hdwe. Dirs., Wis.	1,414,996	423,163	30.0	18,357	1,396,639	354,261	25.3	-75,815	
Hardware, N. C.	21,431	3,900	18.2	1,463	19,968	2,176	10.8	5,023	
Hartford Co., Conn.	1,216	.....	.....	.....	.....	.....	.....	.....
Holyoke, Mass.	1,710,998	598,875	34.9	-14,878	1,725,876	695,365	40.2	65,581	
Home, N.Y.	78,703	40,112	50.9	-6,675	85,368	47,313	55.4	-29,455	
Littit, Mut., Pa.	667	13	2.1	886	113	12.7	-105	.....
Lowell, Mass.	102,025	48,260	47.3	-7,294	109,319	39,336	35.9	4,696	
Lumbermen's, O.	1,831,801	770,648	42.1	-24,069	1,867,732	727,681	40.2	365,021	
Lynn, Mass.	535,962	193,858	36.1	-3,475	539,437	217,614	40.3	19,046	
Mfrs. & Mer., N.H.	292,692	112,984	38.3	22,534	270,188	132,698	49.1	11,317	
Mer. & Bus. Men, Pa.	26,825	9,334	36.1	10,656	16,169	14,384	88.9	-11,243	
Mer. & Far. Mass.	149,113	63,932	56.4	14,626	134,487	57,976	43.1	11,581	
Mer. & Mfrs., O.	266,624	148,982	55.7	-3,232	269,896	135,593	50.2	105,324	
Merrimack	1,430,560	675,001	47.1	-57,949	1,488,569	671,423	45.1	886	
Middlesex, Mass.	2,036,656	736,660	36.3	-15,402	2,052,058	853,323	41.5	77,990	
Midwest Am.	207,805	96,428	46.0	-46,279	254,084	114,391	45.0	5,756	
Millers, Pa.	3,492	1,823	52.2	1,344	2,148	410	19.0	1,966	
Mount Joy, Pa.	397	-237	.....	397	.....	.....	-1,568	.....
Mut. Auto, Pa.	3,906,917	1,682,048	58.2	109,006	3,797,911	1,587,796	41.8	202,197	
Mut. Benefit, Pa.	462,742	162,633	35.1	4,898	457,844	151,147	33.0	.....
Mut. Fire, Me.	88,885	39,750	44.6	12,259	76,626	-31,102	.....	111
Nat. Church, Ill.	.....	.....	.....	-42	42	.....	-251	.....
Nat. Guild, Md.	160,633	57,594	35.9	-24,016	184,649	60,956	33.0	-18,892	
Nat. Mut., Ohio	21,675	13,558	62.5	16,172	5,503	1,437	26.1	5,373	
Nat. Mut., Pa.	689,833	352,316	51.1	130,970	558,863	253,832	45.4	847,667	
Nationwide, M. F.	7,103,401	4,239,848	59.5	98,250	7,005,151	4,235,045	60.4	.....
Neb. Hardware	1,514	516	34.2	-90	1,604	42	26.1	-96	
New Castle, Del.	52,524	21,140	40.2	-3,795	56,319	9,992	17.7	197	
New London, Conn.	74,317	88,6	86.8	-3,232	52,566	38,685	73.5	.....
N. Y. Cent.	303,227	35,622	35.6	-67,759	371,016	146,169	39.3	-5,369	
Norfolk & Dedham	889,062	375,647	42.2	-54,372	943,434	448,202	47.5	19,925	
Ohio Hardware	30,504	13,135	42.9	-20,136	50,640	18,920	37.3	-12,615	
Olive Coop., N.Y.	.....	.....	.....	-2,780	442	15.8	-15,060	.....
Oneida, N.Y.	24,848	11,142	44.7	-906	25,754	12,239	47.5	-12,341	
Oregon Mut.	268,955	120,906	40.2	-54,424	283,379	134,909	38.1	2,839	
Otsego, N.Y.	76,477	25,923	33.9	-4,732	81,269	32,030	39.4	1,376	
Paramount, Md.	211,650	97,903	46.4	91,840	119,819	49,740	41.5	51,515	
Pawtucket, R. I.	1,497,811	576,684	41.2	-41,510	1,449,321	541,063	37.5	15,732	
Pa. Lumbermens	125,443	74,843	59.8	48,271	77,172	29,884	38.7	-5,606	
Pa. Thresh. M. Fire	848,494	263,006	30.9	-91,465	1,764,989	822,711	46.6	144,253	
Perkinomen Nat.	656	14	2.1	.....	.....	.....	.....	.....
Pligrim, Ia.	195,128	75,323	38.6	15,023	180,165	88,465	49.1	7,544	
Pion. Coop., N.Y.	100,477	42,064	42.0	-2,799	97,678	53,639	54.9	9,064	
Pref. N. Y.	552,813	222,517	40.2	4,487	548,336	193,439	35.2	2,693	
Quincy, Mass.	1,437,579	575,791	40.2	74,245	1,363,334	504,906	37.0	136,884	
Safeguard, Pa.	63,396	36,989	57.8	-73,784	137,680	68,371	49.6	7,429	
St. Marys, Pa.	27,707	19,195	69.0	-11,275	38,982	23,144	59.3	-9,071	
Salem, Mass.	112,126	49,722	44.4	-3,211	115,337	49,198	42.6	-6,130	
Security, N.Y.	28,974	19,320	66.6	-3,659	32,633	22,188	58.9	-3,370	
Select Risk, Pa.	29,252	5,574	19.1	-147	29,399	15,031	51.1	3,573	
State Mut., Vt.	17,525	.....	.....	-951	18,526	5,456	29.4	459
Sterling, N.Y.	88,014	31,192	35.3	-37,838	125,852	61,824	49.1	-104,665	
Tomp. Coop., N.Y.	86,727	44,515	51.3	-11,886	98,613	37,902	38.4	3,506	
Tdrs. & Mechs.	543,794	248,665	45.7	25,008	518,786	181,788	35.0	-44,714	
Union Mut., Pa.	46,159	24,201	52.4	-11,551	57,710	37,422	64.8	17,598	
Union Mut., Vt.	324,576	150,049	46.3	21,451	303,125	143,043	47.1	26,317	
Utica Fire	249,280	113,204	45.4	-6,829	256,109	107,659	42.0	37,747	
Vermont Mut.	803,841	425,115	52.9	16,237	787,604	459,612	58.3	161,574	
Wash. Mut., Wash.	85,165	36,443	42.7	-8,420	109,985	91,190	53.6	.....
Woodstock, N.Y.	1,807,623	861,596	47.8	125,563	1,682,069	729,550	43.3	180,277	
Totals	48,378,021	20,929,200	43.3	-1,012,933	52,510,805	23,233,476	44.2	1,566,696	

STOCK FIRE Companies 1955 Results

(CONTINUED FROM PAGE 44)

	1955				1954			
	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.	Earned Prems.	Incurred Losses	Loss Ratio	Incr. or Dec. in Prems.
Superior Auto., S.C.	886,484	384,961	43.3	199,853	686,631	305,368	44.4	-3,779
Transportation	344				

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A. J. Johnson New Arkansas Agents' President

(CONTINUED FROM PAGE 1)

convention by the executive committee, stated "we believe the method of competition made largely at the local agents' expense is against the best interests of the public and the local agent," and the resolution called upon agents to support those companies whose practices are not antagonistic to the principles of Arkansas association as expressed in its code of ethics. In a resolution to Arkansas Fire Prevention Assn., the agents commended its fire safety work and pledged continued support and cooperation in town inspection and other fire prevention activities.

The convention opened with a business session. State National Director Lawrence Derby briefly outlined some of the recent activities of the NAIA, speaking in the role of chairman of the conference committee, and reported that his committee now has under discussion with the companies development of blanket forms for schools and cotton gin properties. George Frazier, Hope, chairman advertising committee, said 15 local boards were now participating in the "insuror insured" campaign. He also discussed a statewide billboard campaign, still in the planning stage, to popularize the word "insuror" as a tie-in with local board advertising and the "insuror insured" bumper tag programs.

The agents' qualification committee has studied the present Arkansas qualification law to find where it can be strengthened and has assisted the department in drafting a series of 300 new examination questions. Thompson Hargraves Jr., Helena, committee chairman, reported. Agents' examinations henceforth are no longer to be given by county school superintendents but only by department personnel, and they are to be held quarterly instead of monthly. The convention adopted a motion unanimously to re-

quest tighter supervision by the insurance department of the examination and qualification procedure.

Reporting for the casualty committee, Chairman Sterling Cockrell Jr., Little Rock, said the committee was recommending voluntary workmen's compensation cover for partners, elimination of plate glass exclusion of 3-D coverage, a surplus lines law for Arkansas, and physical damage coverage for fleets on an actual cash value basis. Jake Jacobson, Harrison, for the fire prevention committee, urged proper installation of TV antennas to guard against lightning damage and that agents encourage their schools to participate in Arkansas' junior fire marshal inspection program. In a report for the traffic safety committee, Bill Brown, Rogers, chairman, recommended that all local exchanges start a "safe-teen" program in their cities, designed to promote better driving habits in young drivers between the ages of 16 and 26.

Making state regulation work effectively is a joint responsibility of people in the business along with the insurance department, Miss Fannie Hardy, executive assistant commissioner, told the agents in their business session. "In my opinion there has never been as much experimenting and effort to change the entire foundation upon which insurance has been built as there is today. What the answer will be, I am sure I do not know," she said. "But one thing I am sure of, and that is that the business WILL be regulated. Whether it is by the federal government or the individual state is for the states to determine." She reviewed the various regulator activities of the department, citing a number of new problems which the department has been called upon to answer in recent months.

Also appearing on the agents session was Frank R. Reilly, assistant secre-

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May 17, 1956

The NATIONAL UNDERWRITER

53

tary of AFCO, who reminded the audience that the average consumer doesn't care about the total price of a purchase as much as what his monthly payments will be. He explained that easy monthly premium payments can be arranged under AFCO's financing plans.

Twenty-eight delegates from some 13 local exchanges, attending the annual local board breakfast, engaged in a full hour roundtable discussion of local board advertising programs, ways for improving the bumper tag "insured or insured" campaign, local board membership rules, and company financial aid in local capital stock industry ad campaigns.

The Allan Kennedy award, given to one of the members for long and outstanding service to the association and the agency system, was presented to P. G. Brown, Fort Smith. Mr. Brown, presently a member of the casualty committee, has been active in association affairs for 20 years, serving for 12 as an executive committeeman. The award is named in honor of one of the all-time great agency leaders in Arkansas and first president of the association in 1901, the late Allan Kennedy of Fort Smith.

Addressing the general session, Norman H. Davis, executive engineer of Underwriters Laboratories, described tests of new plastic ceiling materials, vacuum cleaners for explosive locations, and other recent products and explained UL's facilities at its new 40-acre testing site outside of Chicago. He showed the new UL film, "Album of Public Safety" and invited use of the film by agents.

Commissioner Harvey G. Combs, in a brief address, said he could not go along with free accident insurance as a sales gimmick in the selling of motor cars. "Insurance is a service and the insured should have a right of free selection of both company and agent," he said. "The professional counsel by a competent local agent is essential to good insurance." Commenting on the multitude of new filings, he said the department is confronted daily with filings containing all kinds of "gimmicks." If they can't get it through as a fire filing they try to call it inland marine. Today, even the old hen house and the hen sitting on her nest is being called 'inland marine' by some folks." He recommended that capital requirements for new companies should be raised from the present \$50,000 to \$250,000 with an additional \$100,000 in surplus. He also urged the department be given the right to control insurance stock sales, now under the supervision of the banking department and that a

surplus lines law be enacted in Arkansas.

"How successful we are as local agents depends on how well we manage our time," Louie E. Woodbury, Wilmington, N.C., a member of the NAIA executive committee, told the convention. "We have to quit this office detail and get out and solicit business," he said. "We're forgetting about the people who constitute the mass market who have never had the privilege of your services as an agent and who, as a result, have no ties with you." An advertising program is not going to solve our problems, he said.

Arkansas' new approach in attracting industry to the state and in developing its tourist trade was the subject of a panel discussion consisting of George Reynolds, Little Rock, member of the Arkansas Publicity & Parks Commission; Dr. Paul W. Brown, associate director of University of Arkansas Industrial Research Center, and W. R. Ewald, Jr., chief of development, Arkansas Industrial Commission, bringing to a close the general convention session.

The Grand Old Order of the Purple Duck, the past presidents' exclusive club, held its annual dinner with Guy R. Farris, Conway, presiding in the absence of Grand High Quack C. C. Mitchener. Retiring president Simon Joseph was initiated into the organization.

Ladies attending the convention were guests at the traditional luncheon given by Anderson & Newell, general agents, and they attended a style show staged by Insurance Women of Little Rock and of El Dorado. The Arkansas CPCU chapter held an informal "coffee hour" for all persons interested in working toward the CPCU designation. The convention closed with a dinner-dance.

Zurich Film Wins Award

"Shocking Conditions," the Zurich sound slidefilm on electrical hazards, was awarded a silver reel at the recent golden reel film festival in Chicago.

This is the second award won by "Shocking Conditions," which was produced by Paragon Pictures, Inc. The film received a first prize bronze plaque from national committee on films for safety.

James L. Sandison, partner in Field & Cowles, Boston general agency, retired May 1 after 45 years in the business. He is a former field man in New England of Royal. He and Mrs. Sandison are planning to take an extended vacation in England and Scotland. Mr. Sandison is a past president of New England Insurance Exchange and of Mountain Insurance Field Club.

American Surety Names Hutchinson

American Surety has promoted Herbert N. Hutchinson from manager at East Orange, N. J., to resident vice-president there and has named Harry Rankin Jr. manager. Frank W. Prosser has been appointed manager of the newly-formed fire loss division in the home office.

Mr. Hutchinson was manager at East Orange since 1933 and before that was manager at Atlanta and Denver. He joined the company in 1911. He is a past president of Casualty Underwriters Assn. and Surety Underwriters Assn. of New Jersey.

Mr. Rankin joined the company as a special agent. He became superintendent of casualty in the home office and was appointed assistant manager at East Orange in 1949.

Mr. Prosser most recently was loss superintendent of Royal-Liverpool group in Virginia, North Carolina and

Northeastern Elects Three to High Posts

Northeastern of Hartford has elected Frank E. Amidon executive vice-president and has reelected him a director. He joined the company in 1923 and was named vice-president and secretary in 1947.

The company also promoted Wallace J. Burt Jr. from assistant vice-president to vice-president, G. A. Bieszad from assistant secretary and assistant treasurer to secretary and T. A. Mahoney from assistant secretary to secretary.

South Carolina. He joined that group in 1936 and was named loss department chief of Virginia F.&M. in 1947. Later he became assistant secretary of that company.

Insurance Women of Fort Wayne (Ind.) is sponsoring a 13-week general insurance course. Mrs. G. C. Kramer of the O'Rourke & Co. general agency is the instructor.

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ON INDEPENDENCE SQUARE

400 at Independent Adjusters Meeting

Some 400 members and company claim and loss managers attended the convention of National Assn. of Independent Insurance Adjusters at Miami. Registration was one of the largest in the association's history.

New officers of the organization were reported in last week's issue.

Membership was increased to 375 by the acceptance of additional members at the convention. Association members operate some 700 adjusting offices throughout the country.

Members voted to adopt a more comprehensive directory indicating the adjusting services available to the insurance industry through member offices and defining more specifically the types of claims and losses each member office is qualified to handle. A group life program including additional benefits of accidental death and dismemberment and comprehensive accident and sickness, for members and personnel of adjusting offices was adopted.

The 1957 convention will be held in Southern California at a place to be selected by the president.

Appeals N. C. Bureau Turndown of Home Form

Commissioner Gold of North Carolina will hold a hearing June 7 on an appeal by Employers Mutual Casualty of Iowa from refusal by North Carolina Fire Insurance Rating Bureau to

approve the company's home protector policy which is similar to the homeowners.

The bureau said it turned down the policy because it affords coverage in a similar manner to that already available and that it is not in the public interest to have a number of similar but not identical policies simultaneously available. Transportation Insurance Rating Bureau told the department it has no objection to the home protector policy.

Hearing May 21 on Va. EC Rate Increase Plan

Virginia corporation commission will hear a petition May 21 by Virginia Insurance Rating Bureau for increased rates on extended coverage. The bureau asks for substantially the same rates on \$50 deductible as presently are charged for full cover. Insured could buy full cover for additional \$10.

St. Paul F&M. Opens New Florida Office

St. Paul F&M. has opened a service office at Fort Lauderdale, Fla., under the direction of Waverly G. Smith, who has been with the company at St. Louis. Albert Lubins, in charge of the claim department, was formerly in the home office and adjuster at Tampa. Edward F. De Veaux, engineer and auditor, has serviced the Fort Lauderdale area since he joined the company in 1953.

Insurance Women of New York held its annual charity bridge May 12 at the Biltmore hotel. Miss Dorothy M. Hoyt of American Marine Hull Insurance Syndicate is chairman of the committee.

WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

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Write and tell us about yourself; interviews will be arranged on the basis of information contained in your first letter.

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Office Manager—Small General Agency. Desire man 50-55 years of age. Excellent opportunity for semi-retired person. Starting salary \$3600 per year. Plenty of time allowed to arrange personal affairs. If interested write James K. Siebrecht P.O. Box 309, Palm Beach, Florida.

STATE AGENT — OHIO

Rapidly growing multiple line group has opening for a fire field man established in the Cleveland area. Liberal company benefits include life insurance, medical expense coverage and retirement program. Excellent opportunity for the right man. Write Box M-48, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

UNDERWRITER

Rapidly expanding independent company needs experienced Casualty, Fire, Auto Underwriter for position of Chief Underwriter. Excellent opportunity for individual growth. Send resume, experience, education, age, salary requirement. All replies confidential. Write Box M-48, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

INDIANA FIELDMAN WANTED

If you desire a change, have Multiple Line experience and desire to promote a small Indiana Agency plant, please contact us. We are a progressive Stock Company, member of Hoosierland Rating Bureau and have been in business over 35 years. Best Rating A+. Paid Life Insurance, Accident & Health and Pension program. Salary open. Write or phone:

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Top Flight Safety Supervisor and first-aid man needed for large dredging project on St. Lawrence Seaway. A real chance to show great results. Group Insurance, profit-sharing and other usual employee benefits. Reply to Box M-55, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

FIRE INSURANCE MANAGER

Fast growing Mutual Company in Michigan has immediate opening for person qualified to handle entire Fire operations with exception of detail accounting functions. Must have some experience and willing to progress with fast growing company. Write qualifications and salary desired to Box 1065, Lansing, Michigan.

MULTIPLE LINE COMPANY WANTED BY STATE AGENCY IN ILL.

We are General Agents and have large volume of desirable business, mostly fire and auto. Can handle details of company getting admitted in Illinois, if necessary. Address #M-59, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Harrington Sees Headaches Under N. Y. Compulsory

(CONTINUED FROM PAGE 4) a good argument why the superintendent should not be charged with the responsibility of making rates if all citizens are to be compelled to buy insurance in private insurance companies," he said. "Such duty is a headache to the administrator, but one which is appropriately his under a compulsory law."

Mr. Harrington recalled that during the first 12 years of the Massachusetts compulsory law, an average of one company a year failed. Thus, he said, an act of legislation designed to empower the superintendent to require an insurance company to possess adequate capital and surplus together with the power to require honest and competent management is a must. If this increased responsibility of the superintendent is not called for it will "visit upon the people of any state which considers compulsory automobile insurance the cruel hoax which was perpetrated on the people of Massachusetts when we enacted our compulsory automobile law. Financial stability and integrity of management is imperative to assure the people that an insurance company will be in existence or able to pay settlement for bodily injuries and property damage."

No state contemplating the enactment of compulsory pays the slightest attention to the financial impact of such a law upon the resources of insurance companies, Mr. Harrington commented. The companies have to meet an ever-rising claim cost and an increasing number of claims which flow from public opinion that compulsory guarantees payment for injuries and damage regardless of fault. He warned that any attempt to jam through a legislature a compulsory law without a careful study of its effect on sound supervision is a disservice to the public. The present tendency to solve administrative difficulties under compulsory by placing extensive discretion in the hands of the superintendent is a dangerous trend, Mr. Harrington went on. It leads to rule by men rather than by government by law and adds new problems and exposes the insurance department to political pressures which the legislature itself seeks to avoid.

Fla. Agents Elect Cannon, 767 Attend Annual

(CONTINUED FROM PAGE 2) awarded this year, one to Mr. King for his work in helping Florida win the national fire prevention award, and the other to Lamar Hutchinson of Orlando for his work in helping win the national accident prevention.

Orlando won the James C. McKay

cup for best over-all record for a local board for the year. Mr. McKay, donor of the local board cup, is the father of R. S. McKay of Tampa, president of the association preceding Mr. Bolton, J. C. McKay is the only living founder of the association. He is a general agent at Orlando.

First place fire prevention awards went to Winter Park, Tallahassee, West Palm Beach and Miami, and first place accident prevention awards went to Winter Park, Broward county, and greater St. Petersburg.

The association's teen-age highway safety poster contest was won by Michael Neville of Hollywood and Gail Jacobsen of Ft. Lauderdale first prizes, and Emily Sherrill of Winter Park and Judy Fedak of Ft. Lauderdale, runners-up.

One feature of the meeting was partial distribution of a 74-page book, "An Insurance Guide for School Boards," prepared by the association for distribution to school boards, state auditors and others. Mr. Johnson announced that additional insurance guides are in preparation for other groups.

STOCKS

By H. W. Cornelius Bacon, Whipple & Co., 135 S. La Salle St., Chicago, May 15, 1956

	Bid	Asked
Aetna Casualty	123	126
Aetna Fire	68 1/2	69 1/2
Aetna Life	183	186
Agricultural	34 1/2	35 1/2
American Equitable	38	39 1/2
American Auto	22 1/4	23 1/2
American, (N.J.)	28	29
American Motorists	13 1/2	14 1/2
American Surety	20 1/4	21 1/4
Boston	36 1/4	37 1/4
Camden Fire	27 3/4	28 3/4
Continental Casualty	106	108
Crum & Forster com.	63	66
Federal	37 1/4	38 1/4
Fire Association	53	55 1/2
Firemen's Fund	63 1/2	65
Firemen's, (N.J.)	39 1/2	40 1/2
General Reinsurance	48 1/2	49 1/2
Glens Falls	67 3/4	69
Globe & Republic	23	24
Great American Fire	39 1/2	40 1/2
Hartford Fire	150	153
Hanover Fire	43 1/4	44 1/2
Home, (N.Y.)	46	47
Ins. Co. of No. America	91	93
Maryland Casualty	34 1/2	35 1/2
Mass. Bonding	38 1/4	39 1/2
National Casualty	54	58
National Fire	112	115
National Union	40 1/4	41 1/4
New Amsterdam Cas.	44 1/2	46
New Hampshire	41 1/2	43 1/2
North River	36 1/2	38
Ohio Casualty	100	Bid
Phoenix Conn.	74 1/2	75 1/2
Prov. Wash.	24	25
St. Paul F. & M.	56	57 1/2
Security, Conn.	48	50
Springfield F. & M.	53 1/2	55
Standard Accident	46 1/2	47 1/2
Travelers	76 1/2	77 1/2
U.S.F.&G.	58 3/4	60
U.S. Fire	25 3/4	26 3/4

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N. Y. and Mass. AR Plans are Compared

The new compulsory automobile insurance law is expected initially to result in a substantial increase in assigned risks, perhaps as many as 100,000. A comparison of the Massachusetts and New York assigned risk plans was included in material distributed by the New York department at its hearing on compulsory May 1. The comparison follows:

New York—Applies to all companies doing business in the state. **Massachusetts**—Applies to all companies doing business in the state.

New York—Provides for coverage of 10/20/5. **Massachusetts**—Provides for coverage of bodily injury liability 5/10, and at the option of insured combination of bodily injury liability off the highways and liability for guest occupants on and off the highways to a limit of 5/10; at the option of insured property damage of \$5,000. It is to be noted that the option lies with insured and not with the insurance company to go beyond the statutory requirement of insuring only for BI on the highways.

New York—Policies are not issued on a coterminous basis with registration of motor vehicle, but issued for a period of one year from issuance date of policy based upon application date. **Massachusetts**—Assignment not to extend beyond Dec. 31 of the year in which assignment is made. Risks not subject to compulsory law are assigned for a period of one year.

New York—Set standards of commissions. Five percent of long haul trucking and public passenger-carrying vehicles; 10% all others. Broker undertakes, pursuant to application agreement, to return proportionate share of commission in the event of cancellation of policy. **Massachusetts**—Five percent long haul; 5% compulsory coverage; 10% non-statutory coverage including property damage. Commission is earned when the policy becomes effective and there is no return in the event of cancellation.

New York—Inability to get insurance from an insurer is sufficient to make one eligible for assignment under the plan. **Massachusetts**—Inability to obtain coverage from an insurer makes one eligible under the plan. The modus operandi is more complicated in that companies are required to notify the vehicle bureau in the event of refusal to accept policy or renew same. The basic premise, however, remains the same.

New York—Cancellation by an insurance company does not bar insured from making application under the plan. **Massachusetts**—Cancellation in any calendar year of a motor vehicle liability policy renders insured ineligible for assignment. In the event insured has taken an appeal to the governmental agency, board of appeal,

or the superior court and lost, then insured is not eligible for assignment during that year.

New York—Applicant must file application in good faith to wit, give all information relating to non-enumerated convictions and accidents.

Massachusetts—While the enabling act of section 113H contains a reference of good faith, there is nothing in the assigned risk plan which makes reference thereto. There is, however, a statement in section 3, paragraph 1 of the plan which states that "each applicant for assignment under this plan shall be required to complete an application form and to supply such information as may be necessary to determine the eligibility of the applicant for assignment." Whether or not this is interpreted in the same manner as New York interprets good faith, is unknown to the writer.

New York—Set standards whereby an applicant who has been convicted of a felony or has exhibited his disregard of local or state laws as evidenced by two or more non-motor vehicle convictions during the immediately preceding 36 months, is not eligible for assignment. **Massachusetts**—No such provisions in the Massachusetts law.

New York—A risk shall not be entitled to insurance nor shall any company be required to afford or continue insurance under the following circumstances: "When during the immediately preceding 36 months the applicant or anyone who usually drives the automobile has been convicted or forfeited bail more than once for any one, or once each for two or more of the following offenses: Driving a motor vehicle while under the influence of intoxicating liquor or narcotic drugs; failing to stop and report when involved in an accident; homicide or assault arising out of the operation of a motor vehicle; driving a motor vehicle at an excessive rate of speed where injury to person or damage to property results therefrom; driving a motor vehicle in a reckless manner where injury to person or damage to property results therefrom; operating during period of revocation or suspension of registration or license; operating a motor vehicle without state or owner's authority; loaning operator's license to an unlicensed operator; permitting an unlicensed person to drive; the making of false statements in the application for license or registration, and impersonating an applicant for license or registration, or procuring a license or registration through impersonation whether for himself or for another."

New York—Makes provision for physical or mental disability as a basis

drives the automobile has failed to meet all obligations to pay automobile BI and PDL insurance premiums contracted during the immediately preceding 12 months. If the applicant or any one who usually drives the automobile is subject to epilepsy." **Massachusetts**—"No applicant shall be eligible if he, or any person who will operate the motor vehicle with his express or implied consent, has during a period of five years immediately preceding the date of application, received more than one conviction resulting from any one or more of the following offenses committed on more than one occasion: Operating a motor vehicle while under the influence of intoxicating liquor; failing to stop and report when involved in an accident; homicide or assault arising out of the operation or a motor vehicle; driving a motor vehicle at an excessive rate of speed or in a reckless manner, where a bodily injury resulted therefrom; operating during period of revocation or suspension of registration or license or right to operate motor vehicles; operating a motor vehicle without state or owner's authority; loaning or knowingly permitting his license to operate motor vehicles to be used by any person; the making of false statements in the license application or registration application as to name, address, or place or principal garaging and impersonating an applicant for license or registration, or procuring an impersonation whether for himself or another."

New York—Provides for surcharge based upon experience. **Massachusetts**—No provision for additional premium.

Balance of provisions in both assigned risk plans are of technical nature and apply primarily to rights as between companies and the plan.

Associated Reciprocal Exchanges Name Drews

John F. Drews has been named division manager for Texas, Oklahoma and Arkansas by Associated Reciprocal Exchanges. His headquarters will be in Dallas.

Mr. Drews joined Associated Reciprocal in 1952 as an inspector. He transferred to the rating division, later becoming department head. Most recently he was in the southwestern division as assistant to Robert E. Adams, vice-president.

Elect Miss Brown at Columbus

Gladys S. Brown of the Archer-Meek-Weiler agency has been elected president of Insurance Women of Columbus (O.).

Other officers are Esther Wulff of the Kirkpatrick agency, vice-president; Frances A. Burnett of American Surety and Harriet Joseph of Loyalty group, secretaries, and Maerilla Andrews of the Black agency, treasurer.

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Comments on Cal. WC Changes Under Court Decision

Comments on the California workers' compensation situation in light of the recent state supreme court decision were offered California Mutual Managers meeting last week at Pebble Beach by Frank J. Creede of the San Francisco law firm of Keith, Creede & Sedgwick and counsel for California Inspection Rating Bureau. He pointed out that the March 2 decision of the state supreme court, upholding former Commissioner Maloney in his approval of retrospective rating plans and the premium discount plan for WC has not yet gone into effect, and action by some of the companies to engage in participating workmen's compensation insurance may change the picture from what was anticipated.

The court decision became final April 3, 1956, but the retrospective and premium discount plans have not become operative and cannot be used until Commissioner McConnell approves the use of endorsements containing provisions of these plans. They will be submitted to him in the near future. Mr. McConnell has indicated he wants additional information, and Mr. Creede said it is not known how long it will be before the endorsements will be available for use. In the meantime, no one is authorized to use either plan, and Mr. McConnell has sent a bulletin to all companies putting them on notice that use of a retrospective endorsement prior to his approval is a wilful violation of law.

The companies urging use of the plans were, generally speaking, members of the National Council, and the opponents the domestic California companies, but now Travelers, Aetna Casualty, Continental Casualty, Fireman's Fund and Employes Liability are issuing participating compensation policies, and it is understood other companies are planning to follow suit. Insurers which have heretofore opposed principle participating insurance have decided to have a go at it in California, and Mr. Creede says if their California experience is successful, "it is inevitable the stock companies will use the same plan in more and more states." The advent of the so-called old line stock companies into the participating field and workmen's compensation is the most important event that has occurred from a competitive standpoint in California since 1914, he averred. Its possible implications are of far-reaching importance.

Another unanticipated result of the decision of holding retrospective and premium discount was the abrogation of the California retrospective rating plan which had been in effect since 1938. Mr. Maloney's ruling had eliminated the 1938 plan from the manual, so that as of April 3, California was left without a retrospective rating plan for WC. Mr. McConnell has announced that all policies written under the 1938 plan and in effect prior to April 4 may be continued until expiration. California Inspection Rating Bureau, Mr. Creede said, will present to the department for approval a reenactment of the California plan so as to make sure there is some sort of retrospective available. This will be on an optional basis and will have no effect on the other plans covered under the Maloney ruling.

Another matter up in the air is

whether it is permissible to endorse liability policies to cover compensation liability or to endorse compensation policies to cover the liability exposure. A few companies have been issuing such policies, but others opposed them. This question is now before the department for decision.

Discussing casualty rates, Mr. Creede noted that some companies have already increased automobile and general liability rates, while at the same time the competition between direct writers and agency companies is increasing so that the competitive gap is getting closer and closer. With present loss ratios what they are and the prospect of more competition, he said the immediate future will demand increasing vigilance on the part of all managers in the liability field. "If the business has been tough this past year it is going to be tougher before it is better," he said.

Compensation rates, too, may be in for an increase, Mr. Creede remarked. There have been rate reductions for the past three years, and the business may have reached the end of a cycle where rates may not be adequate for 1957 and coming years.

The entire insurance business is going through a phase of increased competition along all lines, Mr. Creede added, and the impact of packaging coverages under one policy is still to be determined. The experience of combining risks has not lasted long enough to produce statistics upon which anyone can make a reliable prediction. For example, Mr. Creede said, prior to the floods last year in California there was a tendency among some companies to regard flood damage as a remote contingency and not worthy of much thought from an underwriting viewpoint. Accordingly, some insurers extended their homeowner's policies to cover incidental flood loss. The losses they sustained in the 1955 floods were so great that all the other companies are taking a long look before expanding their policies along this line.

1,378 Attend Illinois Agents' Regional Meets

Eight regional educational meetings, sponsored by Illinois Assn. of Insurance Agents in cooperation with Illinois Fire Underwriters Assn., drew a total attendance of 1,378—double that of the inaugural caravan of 1955.

The caravan stopped at Joliet, Rockford, Moline, Peoria, Quincy, Decatur, Alton and Mt. Vernon. Decatur with 227 and Peoria with 210 walked off with attendance honors.

Fifty members of the two sponsoring associations participated as speakers or moderators of panel sessions.

Agents, who presented commentaries on new developments at luncheon sessions, emphasized the association's opposition to compulsory auto insurance and asked companies to come up with no less than a broad uninsured motorist endorsement for Illinois policyholders.

A majority of the legislators who spoke at the meetings indicated opposition to the compulsory concept but several said they had not yet made a decision on the subject.

The day-long programs included workshops on mercantile block, a review of package policies, farm coverage revisions and sales techniques, workmen's compensation and occupational disability coverages, sales opportunities in inland marine and office procedures.

Late News Bulletins . . .

(CONTINUED FROM PAGE 1)

Establish a \$500 million "insurance and reinsurance" fund to provide utilities with indemnity against the liability risk, above the \$65 million liability which private insurers tentatively have agreed to provide.

The private cover is per reactor and utilities have made it clear they don't think it is nearly enough. In addition, however, Factory Insurance Association is working on provision of direct physical damage coverage, perhaps as much as \$50 million.

Fireman's Fund, Founders Merger Plans Stymied

Because of opposition of one director of Founders of Los Angeles, the negotiations for the purchase of Founders by Fireman's Fund have been concluded adversely. Preston Hotchkis, chairman of a special committee of Founders, has sent a letter to all stockholders notifying them of the situation, and requesting an expression of their approval or disapproval of the plan. It also says that Fireman's Fund is willing to reopen negotiations on the original basis, providing 80% of stockholders consent to the purchase and Founders board of directors give unanimous approval.

Plane Crash Loss May Run \$1.5 Million

Total insurance loss on the twin-engine Lockheed P-V-1 plane of Crane Co. of Chicago, a plumbing manufacturer, which crashed near Jeffersonville, Ind., may run \$1.5 million for hull, admitted liability and trip accident. U. S. Aviation Underwriters had the hull cover and the admitted liability and Continental Casualty had the trip accident in an amount similar to that of the admitted liability. The hull was worth about \$150,000.

The plane crashed on a farm while attempting an emergency landing shortly before it was due in Louisville on a flight from Chicago. Six of the eight persons killed were executives of the Crane Co.

Searl Named Executive V-P of Auto-Owners

LANSING, MICH.—William C. Searl, general counsel and secretary of Auto-Owners, was named executive vice-president and Lazell J. Wall, a director since 1944, was named to succeed him as secretary.

William C. Searl Jr. and Ralph E. Moulton were elected to the newly-enlarged board, where a vacancy had been created by the death of William A. Hults, resident vice-president at Detroit.

Mr. Searl has been with Auto-Owners since 1928, a director since 1936 and secretary since 1941. He is a past-president of National Assn. of Independent Insurers.

Mr. Searl Jr. and Mr. Moulton joined the company in 1938. Mr. Searl Jr. is manager at Lakeland, Fla., and Mr. Moulton is the company's investment analyst.

V. V. Moulton, president, reported

to policyholders at the annual meeting that the company has a surplus of \$13,305,000 with an increase in assets of \$1,598,000 since Dec. 31 for a new high of \$37,364,000. Loss ratios generally have been increasing, he said, as have average paid losses, but the company has shown steady growth in premium volume. Mr. Moulton explained an automatic system for rating and renewal of auto policies by electronic equipment, which will be installed at the home office this summer.

Virginia Increases WC Rates by 2.6%

Virginia corporation commission has approved an over-all 2.6% increase in state workmen's compensation rates effective July 1.

The commission authorized decreased rates in 374 instances, increased rates in 232 others and no changes in 57 classifications. Increases for manufacturing classes will be 2.9%, for contracting classes 9.5% and for others 1.2%.

Insurance Women of Youngstown (O.) have elected the following officers: Mrs. Irma Garrison, president; Clare Todd, 1st vice-president; Louise Stomback, 2nd vice-president; Mildred Steiner and Catherine Hunter, secretaries, and Audrey Kovis, treasurer.



Pictured at the Moline regional educational meeting, sponsored by Illinois Assn. of Insurance Agents in cooperation with Illinois Fire Underwriters Assn., are (l. to r.): Robert Flock, regional vice-president of the agent's association; Jack Shearer, president of Moline-East Moline Assn. of Insurance Agents; Sen. Morris E. Muhleman of Moline, guest speaker; Frank H. Hawk of Peoria, state national director, and Ernst Rossow, general chairman.

KEMPER INSURANCE REPORTS:

Here is how the Kemper companies aided agents in 1955:

- A nationwide 120-newspaper advertising campaign featuring our representatives who subscribe to eight Standards of Better Insurance Service, and stressing their local service to policyholders.
- Kemper-Matic six months policies — cutting policyholders' premiums in two, cutting agents' overhead.
- Booklet auto policy — easier for insureds to read, easier for agents to sell.

• Complete line of property and casualty insurance backed by complete service facilities to help agents and brokers meet competition with low net cost.

For the future: the Kemper organization will remain dedicated to strong sales efforts, complete co-operation with agents and brokers, and sound and economical protection for the policyholder. If you are interested in representing one of our companies, write me at the Kemper Insurance Building, Chicago 6, Illinois.

JAMES S. KEMPER
Chairman

Lumbermens Mutual Casualty Company

Chicago 40

Statement at the close of business December 31, 1955, as reported to the Department of Insurance, State of Illinois

(All bonds amortized. Stocks at book value, which is less than market value. If all stocks were valued at market, assets and surplus each would be increased \$5,172,676.93)

ASSETS

Cash in banks.....	\$ 12,995,046.43
U. S. government bills, certificates and notes.....	85,672,723.64
U. S. government bonds.....	51,926,401.86
Canadian government bonds.....	3,310,472.00
State, county and municipal bonds.....	9,112,065.41
Public utility and other bonds.....	11,816,986.52
Stocks.....	8,544,561.30
First mortgages and collateral loans.....	1,139,576.49
Real estate (including company buildings).....	12,809,720.53
Premiums in transmission.....	4,165,380.21
Accrued interest and other assets.....	1,059,189.60
Total assets	\$202,552,123.99

LIABILITIES

Reserve for losses and adjusting expenses.....	\$103,177,528.00
Reserve for unearned premiums.....	39,574,047.00
Reserve for taxes, expenses and reinsurance.....	8,198,383.40
Reserve for dividends to policyholders.....	19,602,165.59
Reserve for portfolio fluctuation	5,000,000.00
<i>Reserve for contingencies.....</i>	<i>5,000,000.00</i>
Total	\$180,552,123.99
<i>Net Surplus</i>	<i>22,000,000.00</i>
Total	\$202,552,123.99

Securities carried at \$14,178,560.45 in the above statement are deposited as required by law.

Federal Mutual Insurance Company

Boston 16

Statement at the close of business December 31, 1955, as reported to the Massachusetts Insurance department.

Bonds on amortized basis. No bonds in default as to principal or interest. Stocks at book, which is less than market.

ASSETS

Cash in banks.....	\$ 116,340.79
U.S. government obligations.....	2,537,408.07
Public utility and other bonds.....	320,537.36
Stocks	34,024.53
Premiums in transmission.....	74,888.77
Accrued interest and other assets.....	179,283.24
Total assets	\$3,262,482.76

LIABILITIES

Reserve for unadjusted losses.....	\$ 225,718.00
Reserve for unearned premiums.....	1,291,391.00
Reserve for taxes, expenses and other liabilities.....	182,635.93
Reserve for dividends to policyholders.....	262,737.83

Total

Total	\$1,962,482.76
Guaranty fund	\$500,000.00
Reserve for contingencies (voluntary)	200,000.00
Surplus over all liabilities.....	600,000.00

SURPLUS AS REGARDS POLICYHOLDERS..... \$1,300,000.00

Total

Securities carried at \$281,065.26 in the above statement are deposited as required by law.

CHICAGO 40

BRANCHES IN:

ATLANTA • BOSTON • COLUMBUS • DALLAS • LOS ANGELES • NEW ORLEANS
NEW YORK • PHILADELPHIA • SAN FRANCISCO • SEATTLE • SUMMIT, N. J. • SYRACUSE • TORONTO

American Motorists Insurance Company

Chicago 40

As of December 31, 1955, as reported to the Department of Insurance, State of Ill. All bonds amortized. Stocks at book value, which is less than market value.

ASSETS

Cash in banks	\$ 5,372,306.55
U. S. government bills, certificates and notes.....	23,886,729.42
U. S. government bonds.....	22,864,794.73
State, county and municipal bonds.....	3,824,291.07
Public utility and other bonds.....	2,733,222.11
Stocks	713,889.56
First mortgage loans on real estate.....	70,501.62
Premiums in transmission	1,895,622.56
Accrued interest and other assets	974,879.61
Total assets	\$62,336,237.23

LIABILITIES

Reserve for losses and adjusting expenses.....	\$31,115,203.00
Reserve for unearned premiums.....	13,604,586.00
Reserve for taxes, expenses and reinsurance.....	2,704,071.65
Reserve for dividends to policyholders.....	4,912,376.58
Reserve for portfolio fluctuation	1,000,000.00
<i>Reserve for contingencies.....</i>	<i>1,000,000.00</i>
Total	\$54,336,237.23
Capital stock	\$4,000,000.00
Net Surplus	4,000,000.00
Capital stock and surplus	\$ 8,000,000.00
Total	\$62,336,237.23

Securities carried at \$3,115,714.03 in the above statement are deposited as required by law.

American Manufacturers Mutual Insurance Company

Home Office: New York 17; Executive Office: Chicago 6

At the close of business December 31, 1955, as reported to Insurance Department, State of New York

Bonds on amortized basis. No bonds in default as to principal or interest. Stocks at book, which is less than market. If all stocks were valued at market, assets and surplus each would be increased \$482,203.75.

ASSETS

Cash in banks and office	\$ 1,452,195.00
U.S. government obligations due 1956.....	1,481,140.99
U.S. government bonds and notes	8,170,040.63
Canadian bonds	394,347.76
State and municipal bonds.....	1,019,916.05
Public utility and other bonds.....	1,611,050.65
Stocks	1,098,387.30
First mortgage loans on real estate.....	751,532.00
Real estate (including company building)	137,569.51
Premiums in transmission	374,885.51
Other assets	440,303.37
TOTAL ASSETS	\$16,931,368.77

LIABILITIES

Reserve for unadjusted losses	\$ 1,358,132.00
Reserve for unearned premiums	8,831,839.00
Reserve for taxes, expenses and other liabilities	936,671.00
Reserve for dividends to policyholders	1,804,726.77
TOTAL	\$12,931,368.77

Guaranty fund (Sec. 76, N.Y. Ins. Law) \$ 500,000.00

Reserve for security fluctuation (voluntary) 500,000.00

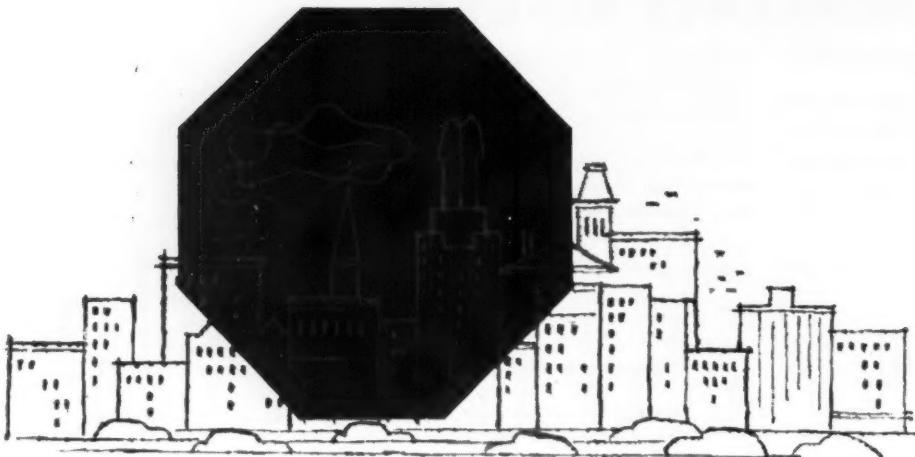
Reserve for contingencies (voluntary) .. 500,000.00

Surplus .. 2,500,000.00

SURPLUS AS REGARDS POLICYHOLDERS 4,000,000.00

TOTAL \$16,931,368.77

Securities carried at \$816,227.82 in the above statement are deposited as required by law.



ROCHESTER...

where traffic safety

begins in kindergarten!

■ Teach them safety when they're young and they'll live to grow old! That's the motto of Rochester, N. Y., where every school child learns traffic safety right along with the ABC's.

Traffic fatality figures show how well Rochester youngsters have learned their lessons. Today, with auto registrations at an all time high, Rochester is actually *seven times safer* than in 1915 when the school safety program was launched by the newly chartered Safety Council of the Rochester Chamber of Commerce in cooperation with the Board of Education.

This outstanding record was made possible by the combined efforts of the Safety Council, city administration, civic and business leaders, service groups and individual citizens. This same *community approach* by citizens'



safety organizations is producing similar results in many other cities.

It's up to us, particularly the members of the insurance industry, to keep this movement growing in communities throughout the nation. By making traffic safety everyone's business—everyone benefits!

You're in good hands with . . .

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